THE ROLE OF ATTITUDES IN MEDIATING ENTREPRENEURSHIP EDUCATION IN HIGHER EDUCATION AND PSYCHOLOGICAL CHARACTERISTICS OF THE ENTREPRENEURSHIP INTENTION

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ABSTRACT

Entrepreneurs in Indonesia have not reached the minimum amount that should be equal to 2%. The inclusion of entrepreneurship courses in the curriculum of each study program in higher education gives hope that university graduates are not only looking for work but also can create jobs that can ultimately help the government reduce unemployment and improve people's welfare. In addition to entrepreneurship education, the intention of entrepreneurship can also be determined by one's attitude based on the psychological characteristics they have. This study aims to find out how attitudes can mediate entrepreneurial education and psychological characteristics of entrepreneurial intentions. This study uses a quantitative method with the type of explanatory survey research, data collection by distributing questionnaires to students with a total of 200 respondents. The data analysis technique uses partial least square. Based on the results of data analysis it was found that psychological characteristics influence the intention of student entrepreneurship and attitude variables can mediate the indirect influence of psychology character on entrepreneurship intention.

Keywords: attitudes, entrepreneurship education, psychological characteristics, entrepreneurship intention, higher education.

INTRODUCTION

One indicator of the success of a country can be seen from economic progress. McClelland (2009) states that one indicator of a country's progress when the number of entrepreneurs in the country is 2% of the population. At present, the number of entrepreneurs in Indonesia has not reached 1.5% of the population of around 250 million (Sari, 2017). Not surprisingly entrepreneurship has become a high priority in public policy in all industries and developing countries (Luthje and Franke, 2003; Katz, 2003; Mitra and Matlay, 2004). Therefore, it is important to foster an entrepreneurial spirit through entrepreneurship education.

Higher education should create an atmosphere that can encourage an independent attitude for the academics. Entrepreneurship education is increasingly being relied upon as an effective way to facilitate the transition from a population of graduates from education that continues to develop into the world of work (Matlay dan Westhead, 2005). Environmental influences such as the role of education are actually very important for developing entrepreneurial generations. Rasli, Khan, Malekifar, and Jabeen (2013) stated in the results of their research on the factors that influence the intention of entrepreneurship, that the intention of entrepreneurship is influenced by the image of entrepreneurship, the educational environment and beliefs. Izedonmi and Okafor's (2010) study shows that entrepreneurship education has a positive impact on entrepreneurial intentions.

Karimi, Biemans, Lans, Mulder, and Chizari (2012). The results of their research show that entrepreneurship education is not found to impact entrepreneurship education on attitude and entrepreneurial intentions. Widawati (2012) in her research also stated that indirectly formal and informal education in Indonesia could not support entrepreneurial orientation. The perception of a person's success in a community is when working as a private employee or a country that guarantees definite and continuous income. Solesvik et al. (2014) in a number of students in Ukraine found no significant relationship between entrepreneurship learning in the classroom and the growing intention of entrepreneurship which will continue in the act of opening a business in real terms.

Fini et al (2014) in his research stated that several foundations that could develop the desire for entrepreneurship were the influence of the environment, psychological characteristics, and individual expertise. Managerial implications have a relationship to form a condition that can foster entrepreneurial intentions. Entrepreneurship research examines more about what kind of personality forms an entrepreneur, with the growth of many young entrepreneurs, the focus of research shifts to an interest in entrepreneurship as an effort to understand the entrepreneurial process (Carsrud and Brännback, 2011).

Antonie et al (2014) in their research suggested several factors that influence the interest in entrepreneurship among students; through the model he built, they stated that a person's psychological characteristics will have an impact on the characteristics of their behavior, such as their subjective attitudes and norms, and ultimately encourage these people to consider their careers in the future.
Entrepreneurship education developed at the college level is expected to provide knowledge and skills to be able to develop entrepreneurship. In fact, open disturbance figures show that the unemployment rate based on high school education levels has increased in the past year and is the second largest contributor to unemployment rates after secondary schools. Table of Unemployment Figures can be seen in Table 1.1

<table>
<thead>
<tr>
<th>Level of education</th>
<th>Open Unemployment Rate Based on Education Level</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>2015</td>
</tr>
<tr>
<td>Never go to school</td>
<td>1.25</td>
</tr>
<tr>
<td>Primary school</td>
<td>3.94</td>
</tr>
<tr>
<td>Secondary school</td>
<td>11.16</td>
</tr>
<tr>
<td>High School</td>
<td>6.68</td>
</tr>
</tbody>
</table>

Source: Central Statistics Agency, 2018

The table shows that entrepreneurship education in higher education in Indonesia still cannot reduce unemployment. High unemployment is caused by students mostly still want to work formally in offices, become civil servants and so on compared to wanting to become an entrepreneur. This causes the choice of work and the opportunity to get the desired job also narrower, causing unemployment. This study aims to analyze the desire of someone for entrepreneurship which is influenced by several variables such as attitudes to entrepreneurship, entrepreneurship education in higher education, and psychological character so that it can be a model to be tested in this study.

THEORETICAL REVIEW

Research on entrepreneurship education on entrepreneurial intentions as this antecedent variable uses Theory of Planned Behavior (TPB). TPB is an extension of the Theory of Reasoned Action (TRA). In TRA, it is explained that a person's intention towards behavior is formed by two main factors, namely attitude toward the behavior and subjective norms (Fishbein and Ajzen, 1975). While in TPB one more factor was added, namely perceived behavioral control. TPB is very suitable to be used to explain various behaviors in entrepreneurship (Ajzen, 1991).

Relations between Higher Education and the Attitudes and Intentions of Entrepreneurship

The intention of entrepreneurship can be interpreted as a process of finding information that can be used to achieve the goal of forming a business (Wirandana and Hidayati, 2017). Tubbs & Ekeberg (1991) states that the intention of entrepreneurship is a representation of planned actions to carry out entrepreneurial behavior. Tung (2011) states that entrepreneurial intentions are a representation of cognitive representation of actions to exploit business opportunities by applying entrepreneurial learning (knowledge and skills).

According to McClelland (2009), motivation to do something can be driven by several individual characteristics in assessing a success (need for achievement), power (need for power), and warmth of personal relationships (need for affiliation). In the case of an intention to become an entrepreneur, the individual characteristic that determines the most is the need and strong encouragement of an individual to be able to achieve success and prove themselves to be successful people (Fayolle and Gailly, 2015).

Tung (2011) says entrepreneurship education is a process of transmitting entrepreneurial knowledge and skills to students to help them exploit a business opportunity. Entrepreneurship education is able to equip students with a variety of entrepreneurial competencies which will later bring great benefits in their lives. Entrepreneurship Education is designed to instill competencies, skills and values needed in recognizing business opportunities, organizing and starting new businesses (Brown in Izedonmi and Okafor, 2010). Tung (2011) divides entrepreneurship education into five components, namely: know-what (entrepreneurial knowledge), know-why (values and motives), know-who (social interaction), know-how (entrepreneurial skills and abilities), and know-when (intuition, the right time to start up). Entrepreneurship education is an important factor in increasing the intention of entrepreneurship in students, because the existence of entrepreneurship education provided by the university is expected to be a provision for students to be able to entrepreneurship and open new jobs (Fadli, 2009).

Wu and Wu (2008) in his research stated that the level of education will influence entrepreneurial intentions through their effects on student attitudes in entrepreneurship. Students who carry out Diploma and Bachelor education apparently have a higher intention of entrepreneurship compared to post graduate students. Diploma and bachelor students are more enthusiastic in their attitude so as to open a higher desire for entrepreneurship. Entrepreneurship education has a huge impact in developing the attitudes and desires of a student for entrepreneurship (Izedonmi and Okafor, 2010; Ahmed et al., 2010; Sanchez, 2011; Dogan, 2015). Entrepreneurship education can shape the attitudes and behavior of students to become entrepreneurs. However, this needs to be studied further. Rengiah (2013) states that attitudes have a very strong significant relationship in the research model. Influence indirectly in the model states that attitude is a mediating variable between entrepreneurship education and the intention to entrepreneurship.

H1: Higher Education is positively and significantly related to the intention of entrepreneurship
H2: Higher Education is positively and significantly related to entrepreneurial attitudes
H6: The attitude of entrepreneurship mediates the relationship of higher education with the intention of entrepreneurship
Relationship of psychological character toward attitude and intention of entrepreneurship

Mokhtar and Zainuddin (2016) state that there are two major variables in psychological characteristics, namely the need for achievement and locus of control were focused in the following discussion. The need for achievement is important signs of entrepreneurial encouragement. Individuals who have a high need for achievement will be better able to be involved in an activity or task that has high responsibility, requires skills and effort, has a level of risk and needs feedback about performance than individuals who have low achievements, thus, individuals who have the need for high achievement is more likely to be an entrepreneur. Mokhtar and Zainuddin (2016) in their study found that psychological characteristics have a positive and significant influence on the desire of a student to become an entrepreneur. Dinis et al. (2013) stated the same thing where the idea that psychological characteristics influence entrepreneurial intentions. The model explains that it is very important to develop a model of entrepreneurial intentions through the psychological characteristics of the students. This means that psychological characteristics will develop students' self-confidence attitudes to be able to develop student skills in entrepreneurship.

H3: Psychological characteristics are positively and significantly related to the intention of entrepreneurship

H4: Psychological characteristics are positively and significantly related to entrepreneurial attitudes

H7: The attitude of entrepreneurship mediates the relationship between Psychological Characteristics and the intention of entrepreneurship

Relationship Entrepreneurship toward the intention of entrepreneurship

Attitudes are positive or negative beliefs to display a certain behavior. These beliefs or beliefs are called behavioral beliefs. An individual will intend to display a certain behavior when he judges it positively. Such an attitude is determined by one's beliefs about the consequences of displaying a behavior that is considered based on the results of an evaluation of the consequences that he might face (Putra et al. 2015).

Wijaya (2008) states that entrepreneurial attitudes consist of two main aspects, namely the individual belief that displaying or not displaying certain behaviors will produce certain results, and aspects of individual knowledge about object attitude can also be individual opinions of things that are not necessarily in accordance with reality, the more positive the individual's beliefs about the results of an attitude object, the more positive the individual's attitude towards the object of the attitude, and vice versa. It also states the same thing where attitudes have a strong and significant positive relationship with the desire for entrepreneurship. The findings of Potishuk and Keizer (2017) state that there is a clear and strong relationship between entrepreneurial attitudes and intentions. This finding confirms that not only traditional research in the field of psychology (Ajzen, 1991), but also entrepreneurial research (Mueller, 2008) which shows the accuracy that attitudes can affect the intention to entrepreneurship.

H5: The attitude of entrepreneurship is positively and significantly related to the intention of entrepreneurship

RESEARCH METHOD

The approach used in this study is a quantitative approach. The sample used in this study is students who have obtained entrepreneurship courses in higher education. The number of samples in this study were 200 students taken from 3 universities in Indonesia, namely Universitas Pendidikan Indonesia in Bandung, Universitas Mahasaraswati and Universitas Dhyana Pura in Bali. The data analysis technique used in the study used Structural Equation Modeling (SEM) with Smart PLS (Partial Least Square) software. In PLS Path Modeling there are 2 models namely the outer model and the Inner model. Test criteria were carried out on both models.

RESULT AND DISCUSSION

Evaluation of Outer Model

Correlation between indicator score and construct score, in PLS model meets convergent validity can be said to be valid if the loading value is 0.7 (Ghozali, 2016). The results of the correlation between the indicator and the construct as seen in the output below:
Based on the estimation results of the model in Figure 1, there are quite a number of indicators that have a loading factor value below 0.7, this indicates that some indicators in the PLS model are invalid in measuring the construct so they must be dropped from the research model. The process of removing invalid indicators is not done directly but gradually because the value of the loading factor will always change every time an indicator is removed. The following is a PLS diagram image after the indicator discharge is invalid in stages:

![Figure 1: Results of PLS Model Estimation](image1)

The value of the loading factor of each indicator in the model after the discharge indicator is invalid can be seen in the figure which shows the value of the loading factor of more than 0.7. In addition to looking at the value of the loading factor, the convergent validity test is also done by looking at the AVE values of each construct, the model is stated to have met the required convergent validity if each construct has an AVE value above 0.5.

![Figure 2: Results of PLS Model Estimation after disposal the invalid indicators](image2)
Table 2: Average Variance Extracted

<table>
<thead>
<tr>
<th></th>
<th>Average Variance Extracted (AVE)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Attitude</td>
<td>0.656</td>
</tr>
<tr>
<td>Entrepreneurship Intention</td>
<td>0.745</td>
</tr>
<tr>
<td>High Education</td>
<td>0.586</td>
</tr>
<tr>
<td>Psychological character</td>
<td>0.540</td>
</tr>
</tbody>
</table>

The results of the analysis in the table above show that all constructs have AVE values above 0.5 which means that all constructs have met good convergent validity. The construct reliability can be assessed from the Alpha Cronbach’s value and the Composite Reliability value from each construct. Constructions are said to have high reliability if the Cronbach’s alpha value exceeds 0.7 and the composite reliability value exceeds 0.70.

Table 3: Construct Reliability

<table>
<thead>
<tr>
<th></th>
<th>Cronbach's Alpha</th>
<th>Composite Reliability</th>
</tr>
</thead>
<tbody>
<tr>
<td>Attitude</td>
<td>0.869</td>
<td>0.905</td>
</tr>
<tr>
<td>Entrepreneurship Intention</td>
<td>0.931</td>
<td>0.946</td>
</tr>
<tr>
<td>High Education</td>
<td>0.859</td>
<td>0.895</td>
</tr>
<tr>
<td>Psychological character</td>
<td>0.880</td>
<td>0.904</td>
</tr>
</tbody>
</table>

Based on the reliability test results above, the value of alpha crombachs for all constructs> 0.7, composite reliability values> 0.7 and the whole AVE value of constructs> 0.5, which means that all constructs have fulfilled good construct reliability.

Inner Model Evaluation

The model estimation results as a reference for testing the hypothesis in this study can be seen in the following figure:

Figure 3: Estimated PLS (Bootstrapping) Model Results

The results of the complete significance test can be seen in the following table:
Entrepreneurship intention. Based on the results of these tests the following results are obtained:

The value of the p value of the effect of the high education variable on entrepreneurship intention is significant with a p value of 0.064, a statistical T of 1.521 and the original sample is positive. Because the value of the p value obtained is not significant (> 0.05), the statistical T < 1.64 and the original sample are positive. The results of testing the first hypothesis is not rejected the Ho, this means that entrepreneurship education conducted by educational institutions to instill knowledge, value, soul, and entrepreneurial attitude to students and students to equip themselves to be independent, creative and innovative human beings that have not had a significant impact. So far the method of entrepreneurship education has not been able to provide interesting things and the provision of facilities and infrastructure that are less supportive for entrepreneurial practices. The material presented in entrepreneurship courses has also not been able to increase students' enthusiasm to follow it so that students become less interested in becoming entrepreneurs. This result supports research conducted by Karimi, Biemans, Lans, Mulder, and Chizari (2012), Widawati (2012) and Solesvik et al. (2014).

Testing the second hypothesis regarding higher education is positively and significantly related to the attitude of entrepreneurship. The value of the p value of the effect of the high education variable on significant attitudes with a p value of 0.090, the T statistic of 1.399 and the original sample is positive. Because the value of the p value obtained is not significant (> 0.05), the statistical T < 1.64 and the original sample are positive, so Ho is not rejected and it is concluded that high education does not have a positive and significant effect on attitude. It means that higher education has not been able to give a big impact on the attitude of student entrepreneurship. Learning methods and practices in entrepreneurship have not been able to influence creativity, initiative and innovation. In addition, entrepreneurship education in higher education has not yet had an impact on the ability of students to compete in accordance with their competencies so they have not been able to respond to an opportunity that makes them become entrepreneurs. This result supports research conducted by Karimi, Biemans, Lans, Mulder, and Chizari (2012).

The third hypothesis tasting show that value of the p value influence of the psychology character variable on entrepreneurship intention is significant with a p value of 0.091, a statistical T of 1.521 and the original sample is positive. Because the value of the p value obtained is not significant (> 0.05), the statistical T < 1.64 and the original sample is positive, so Ho is rejected and it means that the phycology character has a positive and significant effect on entrepreneurship intention. This shows that the better a person's psychology character is, the higher the entrepreneurship intention. Characteristics of a psychologist who is strong and confident can increase students' intention to become entrepreneurs. A person who dares to make his own decisions, is independent, is able to cooperate, is firm, able to compete and be innovative can increase the desire of a student to become an entrepreneur. The psychological characteristics of a strong person can also increase the attitude of entrepreneurship. Courage and independence have an impact on competitiveness and increasing creativity and innovation in carrying out a job or task.

The p value of the influence of the psychology character variable on significant attitudes with a p value of 0.090, the T statistic of 1.399 and the original sample is positive. Because the value of the p value obtained is not significant (> 0.05), the statistical T < 1.64 and the original sample are positive, so Ho is rejected and it means that the psychology character has a positive and significant effect on attitude. This shows that the better a person's psychology character is, the better his entrepreneurial attitude will be.

The result of hypothesis tasting regarding attitude variable on entrepreneurship intention show the value of the p value effect of the attitude variable on entrepreneurship intention is significant with a p value of 0.031, a statistical T of 1.868 and the original sample is positive. Because the value of the p value obtained is not significant (< 0.05), the statistical T > 1.64 and the original sample is positive, so Ho is rejected and it is concluded that attitude has a positive and significant effect on entrepreneurship intention. This shows that the better one's attitude, the higher the entrepreneurship intention. Entrepreneurship in conveying thoughts, being strong-minded, and being creative and innovative as well as competent will increase students' confidence in entrepreneurship because students think that entrepreneurship can have a great chance of becoming more prosperous. A positive attitude to entrepreneurship will also give you the courage to be able to accept risks so that entrepreneurship is a career choice in the future.

In this study, attitude variables act as intervening variables that mediate the indirect effect of high education and attitude on entrepreneurship intention. Based on the results of these tests the following results are obtained:

Table 4: Significance Test Results

<table>
<thead>
<tr>
<th></th>
<th>Original Sample (O)</th>
<th>Sample Mean (M)</th>
<th>Standard Deviation (STDEV)</th>
<th>T Statistics (O/STDEV)</th>
<th>P Values</th>
</tr>
</thead>
<tbody>
<tr>
<td>Attitude -&gt; Entrepreneurship Intention</td>
<td>0.165</td>
<td>0.169</td>
<td>0.088</td>
<td>1.868</td>
<td>0.031</td>
</tr>
<tr>
<td>High Education -&gt; Attitude</td>
<td>0.095</td>
<td>0.101</td>
<td>0.071</td>
<td>1.339</td>
<td>0.090</td>
</tr>
<tr>
<td>High Education -&gt; Entrepreneurship Intention</td>
<td>0.118</td>
<td>0.122</td>
<td>0.078</td>
<td>1.521</td>
<td>0.064</td>
</tr>
<tr>
<td>Psychological Character -&gt; Attitude</td>
<td>0.629</td>
<td>0.630</td>
<td>0.054</td>
<td>11.659</td>
<td>0.000</td>
</tr>
<tr>
<td>Psychological Character -&gt; Entrepreneurship Intention</td>
<td>0.395</td>
<td>0.393</td>
<td>0.091</td>
<td>4.334</td>
<td>0.000</td>
</tr>
</tbody>
</table>
Table 5: Indirect Influence Test Results

|                      | Original Sample (O) | Sample Mean (M) | Standard Deviation (STDEV) | T Statistics (|O/STDEV|) | P Values |
|----------------------|---------------------|-----------------|-----------------------------|---------------------------|----------|
| High Education -> Attitude -> Entrepreneurship Intention | 0.016              | 0.017           | 0.016                       | 0.974                     | 0.165    |
| Psychological Character -> Attitude -> Entrepreneurship Intention | 0.104              | 0.107           | 0.058                       | 1.776                     | 0.038    |

Attitude variables cannot mediate high education indirect effects on entrepreneurship intention. This is showed by value of p value for the indirect effect of high education variables on entrepreneurship intention mediated by attitude is 0.165. Because the value of the p value obtained is > 0.05, it can be concluded that significantly the high education variable cannot influence the entrepreneurship intention mediated by attitude. This shows that entrepreneurship education should be able to develop an attitude of entrepreneurship so that it can increase the desire of students to become entrepreneurs. It is very important for entrepreneurship education to develop student attitudes in entrepreneurship first to finally be able to develop interest in student entrepreneurship.

The last hypothesis testing showed the value of p value indirect effect of psychology character variable on entrepreneurship intention mediated by attitude is 0.038. Because the p value obtained is <0.05, it can be concluded that significantly the psychology character variable can influence the entrepreneurship intention mediated by attitude. This means that psychological characteristics can increase the desire for entrepreneurship through the attitude of entrepreneurship. Increasing one's desire in entrepreneurship is needed because of a strong perspective. The characteristics of a person who is strong in entrepreneurship will be able to determine one's attitude in entrepreneurship so that in the end it can affect one's desire in entrepreneurship.

CONCLUSION

Based on the results of research, the hypothesis testing of direct influence of each variable, it can be concluded that high education does not have a positive and significant effect on entrepreneurship intention, high education does not have a positive and significant effect on attitude, the psychological characteristics have a positive and significant effect on entrepreneurship intention, the psychology character has a positive and significant effect on attitude, and the attitude has a positive and significant effect on entrepreneurship intention. The results of testing the attitude variable which acts as an intervening variable that mediates the high education indirect effect on entrepreneurship intention and psychology character on entrepreneurship intention shows that the high education variable cannot influence the entrepreneurship intention mediated by attitude and attitude variables can mediate the indirect influence of psychology character on entrepreneurship intention.

IMPLICATION

The results of the study show that attitude is a variable that mediates between entrepreneurship education in higher education and the intention of entrepreneurship. This shows that higher education can increase one's desire in entrepreneurship which should be able to develop an entrepreneurial attitude first. The method of higher education must be able to provide a real example of entrepreneurial practices so that they can influence the positive attitude of an entrepreneur. Entrepreneurship education should be able to create the ability of students who are creative, innovative, have the competence so that they can provide encouragement for students to have a career as entrepreneurs when they graduate.

Psychological characteristics can also improve one's attitude in entrepreneurship so that it can increase students' desire for entrepreneurship. Characteristics can improve ability and competency in competing so that it can increase strong entrepreneurial intentions for students to become entrepreneurs.

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