

Conference Paper

Entrepreneurial Intentions in University Students: Based on the Analysis of Entrepreneurship Education, Adversity Quotient, Emotional Intelligence and Family Factor

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Abstract

The number of entrepreneurs in Indonesia is approximately 3.1% of the total population (HTTP://www.depkop.go.id 2016). This number is still considered low compared to other countries such as the United States of America at 11.2%. Various efforts are being made to foster the entrepreneurial intention, especially to change the youth's mindset, who are interested in seeking a job after graduation. This research aims to analyze the effect of entrepreneurship education, adversity quotient, emotional intelligence, and family factor on entrepreneurial intention. Result shows that entrepreneurship education and adversity quotient have a positive and significant effect on entrepreneurial intention. Meanwhile, emotional intelligence and family factor are insignificantly affecting business performance. In general, in order to increase the entrepreneurial intention, it should focus on the improvement of entrepreneurship education and adversity quotient.

Keywords: entrepreneurship education, adversity quotient, emotional intelligence, family factor, entrepreneurial intention

1. Introduction

The number of entrepreneurs in Indonesia is approximately 3.1% of the total population (HTTP://www.depkop.go.id, 2016). This number is still considered low compared to other countries such as United States of America at 11.2%. Various efforts are being conducted to foster the entrepreneurial intention, especially to change the youth's mindset, who interested in seeking for a job after graduation.

Several factors influence a person's entrepreneurial intention, one of which is entrepreneurship education. Entrepreneurship education does not only provide a theoretical foundation on the concept of entrepreneurship, but also build the attitude, behavior, mindset of an entrepreneur. Endurance is needed in the face of a difficulty so as to change this difficulty or the undesirable situation into challenges

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and opportunities. Thus, beside entrepreneurship education, adversity quotient can also affect the entrepreneurial intention. If someone is able to deal with an obstacle and turning it into an opportunity for a better result, they are said to have a high degree of adversity quotient.

Moreover, an entrepreneur is also required to have a sufficient emotional intelligence. Through emotional intelligence, human learns to manage their emotion so they can express it appropriately and effectively. Emotional intelligence includes self-control, passion, and persistence, as well as the ability to motivate oneself and withstand frustration.

In general, one's career choice is describing their interest, personality, ability, along with their background. Family is providing an initial entrepreneurship education experience. The parents' occupation background as entrepreneur does not necessary provide entrepreneurial perspective on the children. Nevertheless, It will provide and opinion and motivation to the children to choose entrepreneurship as well both directly and indirectly.

The objective of this research is:

1. To analyze the effect of entrepreneurship education, adversity quotient, emotional intelligence, and family factor on entrepreneurial intention.

2. Literature Review

2.1. Entrepreneurial intention

Entrepreneurial intention is a cognitive illustration of an objective a person wants to achieve with a greater effort. It includes the development of a plan that someone seeks and utilizes to achieve their goals [11].

2.2. Entrepreneurship education on entrepreneurial intention

Entrepreneurship education is designed to instill the competency, skill, and value needed to recognize the business opportunity, as well as organize and establish a new business (Brown in [6]). The competence obtained by the students is not only limited to the competence to sell product or service as in the mindset of the people who consider entrepreneurs as traders. Based on a research performed by Oguntimehin and Olaniran (2017), entrepreneurship education is a significant contributor to entrepreneurial intention.

Hypothesis 1A: Entrepreneurship Education has a positive and significant effect on Entrepreneurial Intention.

2.3. Adversity quotient on entrepreneurial intention

As stated by Stoltz (2010), adversity quotient is an individual's intelligence to face an obstacle or difficulty on a regular basis. Adversity quotient helps an individual to strengthen the ability and perseverance in facing the daily challenges as well as adhering to the principle and dream regardless of whatever happens. In accord to a study by Firmansyah et al. (2016), adversity quotient has a positive and significant relationship to entrepreneurial intention.

Hypothesis 1B: Adversity Quotient has a positive and significant effect on Entrepreneurial Intention.

2.4. Emotional intelligence on entrepreneurial intention

Casmini (2007) explained that emotional intelligence is one's ability to control their and others' emotions, distinguish an emotion from another, and use the information to guide their thinking process and behavior. Javed et al. (2016) stated emotional intelligence positively and significantly influences entrepreneurial intention.

Hypothesis 1C: Emotional Intelligence has a positive and significant effect on Entrepreneurial Intention.

2.5. Family factor on entrepreneurial intention

Family and business partner are also inspiring fresh graduates to generate a supportive environment that gives them the information and resources to start their business after graduation [1]. A result study by Carr and Sequeira (2007) shows family background is an essential contributor to entrepreneurial intention.

Hypothesis 1D: Family Factor has a positive and significant effect on Entrepreneurial Intention.

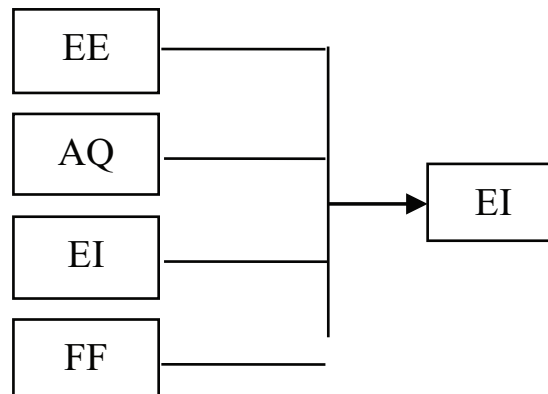


Figure 1: Research framework.

3. Methods

The type of research conducted is causal associative (causality). The population in this research is 4279 students from Faculty of Economics and Business, Faculty of Public Health, Faculty of Engineering batch 2015 and 2016 in University of Sumatera Utara that had already received entrepreneurship courses. As these faculties have an entrepreneurship curriculum and the students are willing to be entrepreneurs. Samples are selected by utilizing the simple random sampling. A simple random sample is a subset of a statistical population in which each member of the subset has an equal probability of being chosen.

The samples were taken with Slovin method by the formula as followed:

$$N = \frac{N}{1 + Ne^2}$$

$$N = \frac{4279}{1 + 4279 (0,1)^2}$$

$$N = \frac{4279}{1 + 42,79}$$

$$N = \frac{4279}{43,79} = 97.71$$

In this research the number of the samples are rounded up to 100 university students.

Here is the table of distribution of samples of faculties and batches:

This research used two types of data resources, which are: (1) Distribution of Questionnaires, and (2) Documentations Studies. Multiple linear regression analysis is used as data analysis technique to discover the influence of the independent variables, which are Entrepreneurship Education (X1), Adversity Quotient (X2), Emotional Intelligence (X3), and Family Factor (X4) to the dependent variable that is Entrepreneurial

TABLE 1: Sample based on proportion of faculties and batches.

Faculties	2015	2016	Total
Faculty of Public Health	12	7	19
Faculty of Economics and Business	24	25	49
Faculty of Engineering	15	17	32
Total	51	49	100

Source: Processed data (2018).

Intentions in University Students (Y). Also, this research is using descriptive statistical analysis method and depth interview as data analysis techniques.

TABLE 2: Operational definition.

Variable	Operational Definition
Entrepreneurial Education	Entrepreneurial intention is a cognitive illustration of an objective a person wants to achieve with a greater effort.
Adversity Quotient	Adversity quotient is an individual’s intelligence to face an obstacle or difficulty on a regular basis.
Emotional Intelligence	Emotional intelligence is one’s ability to control their and others’ emotions, distinguish an emotion from another, and use the information to guide their thinking process and behavior.
Family Factors	Family and business partner are also inspiring fresh graduates to generate a supportive environment that gives them the information and resources to start their business after graduation

4. Result

TABLE 3: The result of multiple linear regression analysis.

No.	Variables	Coefficients	t-values	Significant
1	Constant	-4.021	-1.662	0.100
2	Entrepreneurship Education	0.120	3.859	0.000
3	Adversity Quotient	0.178	3.001	0.003
4	Emotional Intelligence	0.139	1.956	0.053
5	Family Factor	0.309	1.961	0.053
6	$R^2 = 0.726$			
7	(F-Statistic = 26.446)			0.000

Source: Processed data (2018).

It is found the Multiple Regression Analysis Model is:

$$Y = -1.098 + 0.120EE + 0.178AQ + 0.139EQ + 0.309FF + e.$$

Table 4.10 shows the two predictor variables, partially Entrepreneurship Education (Sig. = 0.000 < 0.05) and Adversity Quotient (Sig. = 0.003 < 0.05) are significantly affecting

Entrepreneurial Intention. On the other hand, the remaining two variables, which are Emotional Intelligence (Sig. = 0.053 > 0.05) and Family Factor (Sig. = 0.053 > 0.05) are insignificantly contributing to Business Performance.

The coefficient determination of this research is 0.726, which means that Entrepreneurship Education, Adversity Quotient, Emotional Intelligence, and Family Factor contributed 72.6% to explain Entrepreneurial Intention. While the remaining of 27.4% is explained by other variables.

TABLE 4: Summary of hypothesis tests.

Hypothesis No.	Statement	Decision
H_{1A}	Entrepreneurship Education has a positive and significant effect on Entrepreneurial Intention.	Supported
H_{1B}	Adversity Quotient has a positive and significant effect on Entrepreneurial Intention.	Supported
H_{1C}	Emotional Intelligence has a positive and significant effect on Entrepreneurial Intention.	Supported
H_{1D}	Family Factor has a positive and significant effect on Entrepreneurial Intention.	Not Supported

Source: Processed data (2018).

5. Discussion

Partially, entrepreneurship education and adversity quotient have positive and significant impact on entrepreneurial intention among university students. It may explain the improvement of entrepreneurship education will generate the entrepreneurial intention. University students are inspired to be entrepreneur through the best quality of curriculum, lecturer and the availability of laboratory facilities in the faculty. In accordance with Souitaris et al. (2007), who conducted a survey for 124 science and engineering students who were joined an entrepreneurship program at a British and a French university. It was found that the programs indeed elevated entrepreneurial intentions among students. Particularly, it was found that many students had felt the memorable experience which led to the change in outlook of being entrepreneurs.

Result demonstrated that the stronger adversity quotient will lead to stronger entrepreneurial intention. It is supported by Firmansyah et al. (2016), who posited that adversity quotient has a positive and significant relationship to entrepreneurial intention. In fact, the nature of being entrepreneur is the constantly enduring the

business problems and challenges. Entrepreneur is commonly recognized as a high spirit individual who can transform problems and challenges into opportunities. As a millennial generation, university students nowadays have open-minded characteristic, they are accustomed with frequent challenges and problems. This condition has trained their ability to encounter difficulty and still persistently try to achieve their dream.

Another essential finding in this study is the emotional intelligence does not have significant influence on entrepreneurial intention among university students, contrast with the study from Javed et al. (2016). As described by Zampetakis et al. (2009), individual perception of emotional capabilities owned by an individual affects the entrepreneurial intention mediated by proactive and creativity. It may indicate that further research is required by including proactive and creativity as variables to analyze the relationship between emotional intelligence and entrepreneurial intention.

Despite the fact of family factor has imprinted significant influence on the entrepreneurial intention [2], study showed an opposed result. According to Ghazali et al. (2013), who conducted a research on students with business-engaged and non-business engagement family background, the result exhibits that family factor does not contribute to the entrepreneurial intention amongst students. Therefore, the influence of family factor does not guarantee the individual's decision to their future.

6. Conclusion

The conclusion of this research is entrepreneurship education and adversity quotient have a positive and significant effect on entrepreneurial intention. Meanwhile, Emotional Intelligence and family factor are insignificantly affecting business performance. In general, in order to increase the entrepreneurial intention, it should focus on the improvement of entrepreneurship education and adversity quotient.

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