Analysis of Attitudes and Motivation of UMN Al-Washliyah Students on Interest in Entrepreneurship

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Abstract: The purpose of this study is to see the influence and the relationship between attitudes and motivations on the students' interest in entrepreneurship at Universitas Muslim Nusantara Al-Washliyah Medan. Through the entrepreneurs it is expected that young entrepreneurship, especially students, could make new jobs to create equity of welfare. The population of this research is students of University Muslim Nusantara Al-Washliyah Medan who have got Entrepreneurship and Cooperative course at Faculty of Agriculture and Faculty of Economics. The sample used in this study are 175 students. Sampling is done intentionally, using a Likert scale questionnaire instrument (1-5). The results show that simultaneously, attitudes and motivation of students significantly increase in the interest to entrepreneurship (F-test=14.153**). Partially, entrepreneurship motivation of student significantly affects the entrepreneurship interest, with t=4.627**, while entrepreneurship attitude of student has no significant effect (t = 0.675) in entrepreneurship interest. The result of Pearson's correlation analysis shows that there is a significant correlation between entrepreneurship interest and entrepreneurship attitude, as well as entrepreneurship motivation of UMN Al-Washliyah students, by rEA = 0.265*, and rEM = 0.53** respectively.

1 INTRODUCTION

1.1 Background

Globalization is a new phenomenon born due to the development and progress of the era. In this condition, every organization is required to always do various innovations in order to anticipate the existence of challenges and very tight competition. Therefore, every organization is required to have competitive advantages both in terms of quality products, services, cost, and human resource of professionals.

In a global competition, the existence of professionals and professional human resources has a more strategic role than any other resource. Human resource is the most valuable and important asset an organization must possess. A qualified human resource is one of the prerequisites for developing a country's natural resources to achieve the prosperity of the country.

Indonesia is a country that has a high population growth rate. This high population is a great potential in carrying out the development process, because in the universal values, the population is the perpetrator and at the same time the target of development that enjoys the development result. This can be realized if the large population is accompanied by the composition and distribution of human resources in a more equitably quality. But a large population can also be a burden if the quality is low. As the perpetrators of development, the low quality of the population will prevent us from reaching opportunities.

Entrepreneurship is instrumental in filling this development. According to Acs, and Audretsch (2010:1) the existence of entrepreneurs gives a great impact on economic growth since they will offer a great deal of employment. In developed countries the role of entrepreneur is very dominant in supporting economic growth and development. However, in a developing country like Indonesia, very few people want to work as entrepreneurs, whereas economic growth is strongly influenced by the existence of these entrepreneurs. One factor is due to the low interest in entrepreneurship among students.
1.2 Research Purposes

The purpose of this study is to see the influence and the relationship between attitudes and motivations on the students' interest in entrepreneurship of University of Muslim Nusantara Al-Washliyah Medan.

2 LITERATURE REVIEW

2.1 The Concepts of Entrepreneurship

Entrepreneurship is a dynamic behaviour that takes risks and is creative and growing. Entrepreneur is someone who is able to create a business by making a product either in the form of goods or services by looking at opportunities that exist and use it, as expressed by Bygrave and Zacharakis (2014) states that entrepreneur as the person who destroys the existing economic order by introducing new products and services, by creating new forms of organization, or by exploiting new raw materials. Entrepreneur is someone who can create something new, goods or service, within an organization and able to break down the existing economic system.

2.2 Characteristics of Entrepreneurship

Kuratko and (Hodgetts, 2004), state that entrepreneurship is a dynamic process of vision, change, and creation. It requires an application of energy and passion towards the creation and implementation of new ideas and creative solutions. Essential ingredients include the willingness to take calculated risks in terms of time, equity, or career; the ability to formulate an effective venture team; the creative skill to marshal needed resources; and fundamental skill of building solid business plan; and finally, the vision to recognize opportunity where others see chaos, contradiction and confusion. According to Izedonmi and Okafor (2008) the entrepreneur must be able to oversee and identify the opportunities and search for the sources in order to achieve the goals.

The other experts also state the characteristics of entrepreneurship as follows;

b. Locus of control (Rotter, 1966)
c. Risk taking (Brockhaus, 1980)
d. Proactive (Crant, 2000)
e. Tolerance against the unexpected thing (Bateman and Grant, 1993)
f. Creativity (Drucker, 1985)

Furthermore, Meredith et al (1982:38-39) argue that the characteristics of entrepreneur are confidence, task and outcome-oriented, risk taking, leadership, originality, and future-oriented. These characteristics show that the one and only needed by entrepreneur is creativity which is not innate ability that something already learned.

Lambing and Kuehl (2006:16) state four basic elements of a successful entrepreneur:

a. Ability (IQ and skill)
b. Courage (EQ and mental)
c. Consistency (sel-motivation)
d. Creativity (experiences)

Barringer and Ireland (2012:10) describe four characteristics of a successful entrepreneur:

a. Eagerness to do the business
b. Focus on product and customer
c. Consistency despite failure
d. Skills

2.3 Attitude and Behavior

According to Calhoun and Joan (1995:315), attitude is feeling and or belief in particular object, and there is a tendency to act against that object with particular ways. Human attitude is not innate ability, yet it is something learned. So, attitude is easily built, influenced and changed. It means that attitude comes from stimulus affecting some factors, such as personality, environment and learning process. If the stimulus is positive, a good attitude will be built, whereas negative stimulus will build a bad attitude.

The general attitude is available and can then be bias processing of information. Individuals who hold favourable attitudes are likely to notice, attend to, and process primarily the object’s positive attributes whereas individuals with unfavourable attitudes toward the object are likely to direct attention to negative qualities (Ajzen, 2011). The attitude approach has been used in many areas including in evaluating entrepreneurship education. Thus, to increase the level of entrepreneurial initiative among students is necessary to enhance a positive attitude towards entrepreneurship, so attitude can be seen as a stepping stone toward entrepreneurial interest (Hannan, 2004).

(Ajzen, 2011), points out the theory of reasoned action which explains the relationship between attitude and behavior. It describes decision of showing a particular attitude that takes a long
rational process and it is also built from sequences of thinking. In other words, behavior building is started from attitude choice consideration, then all the consequences are evaluated, and last decision making whether to undertake or not. Shortly, the decision is such a reflection of behavior.

2.4 Motivation Theory

McClelland (2011), points out that we all have these three types of motivation regardless of age, sex, race, or culture. The type of motivation by which each individual is driven derives from their life experiences and the opinions of their culture. McClellands Theory of Need for Achievement (N-Ach), shows Three Needs of Theory or Acquired Needs and the theory is focusing on human motivation.

1. Need for achievement

They prefer working on tasks of moderate difficulty, preferring work in which the results are based on their effort rather than on anything else, and prefer to receive feedback on their work. Achievement based individuals tend to avoid both high-risk and low-risk situations. Low-risk situations are seen as too easy to be valid and the high-risk situations are seen as based more on the luck of the situation rather than the achievements that individual made. This personality type is motivated by accomplishment in the workplace and an employment hierarchy with promotional positions.

2. Need for affiliation

People who have a need for affiliation prefer to spend time creating and maintaining social relationships, enjoy being a part of groups, and have a desire to feel loved and accepted. People in this group tend to adhere to the norms of the culture in that workplace and typically do not change the norms of the workplace for fear of rejection. This person favors collaboration over competition and does not like situations with high risk or high uncertainty. People who have a need for affiliation work well in areas based on social interactions like customer service or client interaction positions.

3. Need for power

People in this category enjoy work and place a high value on discipline. The downside to this motivational type is that group goals that can become zero-sum in nature, that is, for one person to win, another must lose. However, this can be positively applied to help accomplish group goals and to help others in the group feel competent about their work. A person motivated by this need enjoys status recognition, winning arguments, competition, and influencing others. With this motivational type comes a need for personal prestige, and a constant need for a better personal status.

According Atkinson and Howard (2008:7) productivity of an economy can grow in two different ways. First, productivity can be increased by raising the value of goods and services produced (e.g., shifting production from standardized commodities based on existing technologies to new, higher performance technologies for which consumers are willing to pay a premium and also gain greater economic benefit). Second, productivity can grow by producing a given set of goods or services in a more technically efficient manner. While, Drucker, P.F (2007) states that entrepreneurship is the ability to create a brand new offer. Zimmerer, et al (2008:5) states that entrepreneurship is the process of implementation and finding the opportunity to have a better life.

(McClelland, 2011) points that the relationship between achievement level and entrepreneurs attitude are as follows;

a. Taking the risk.
   The attitude of entrepreneur, who has the high value achievement chooses the most possible ways to reach out the achievement, even though the risk is being occurred.

b. Having responsibility.
   The entrepreneur keeps thinking of every task with its own values; so an entrepreneur really knows how to be responsible in accomplishing and deciding anything that he is doing.

c. Knowing the consequences.
   The entrepreneur not only learns from the mistakes and experiences, but also oversees and accepts either expected and unexpected thing. So an entrepreneur knows the consequences of the particular task.

d. The ability of designing and organizing the long-term planning.
   The entrepreneur should plan any strategy to reach out the high value achievement ahead. Entrepreneurs will continue to organize time, opportunity, strategy effectively and efficiently.

Various researches on entrepreneurship have a positive impact on the improvement of organizational performance. Ernita, et al., (2014ab, 2015 and 2016); point out that member participation
is very essential in influencing cooperatives performances. In addition, Aziz, et al (2014) examines how entrepreneurial orientation can affect the business performance of small and medium enterprises in Malaysia. Significant conclusion from this study is that entrepreneurial orientation has a significant positive effect on business performance. "Also study of Bakar and Mahmood's (2014) findings reveal significant and positive relationships between transformational leadership and performance, and corporate entrepreneurship and performance. In addition, corporate entrepreneurship is found to partially mediate the transformational leadership and performance relationship. Further, Bakar, et al (2017) in his research found that indicated of three dimensions of ESE (financial control ESE, ESE innovation, and risk taking ESE) were found to be associated with HEI performance.

2.5 Interest in Entrepreneurship

Since the beginning of the 1980s, interest in entrepreneurship has been growing around the world (Klofsten, 2000). The main factor contributing to this interest was the suffering of industrialized countries from economic recession, high unemployment rates and fluctuation in international trade cycles which most of these countries have not experience before. This situation has tended to increase the attention to the potential role of entrepreneurs (Garavan and O'Cinneide 1994a) as one of possible solution to the problems face by the most of the countries. Many development agencies, such as educational and training institutions around the world are facing this challenge of how to create an enterprise culture and many of them already provide valuable and much needed assistance such as advice and financial aspects. Today entrepreneurship has become a commonly taught subject in universities. Some of the universities in the world offer courses in entrepreneurship, and many business or management schools offer major field of academic programs in entrepreneurship beside traditional business or management areas such as finance, accounting, marketing, human resource management and basic management. However research on entrepreneurship education into non-business programs is still not fully investigated especially in a developing country such as Indonesia.

According to (Pintrich and Schunk, 1996) the indicators of interest in entrepreneurship are as follows:

1) The general attitude toward the activity is the feeling of dislike, agree disagree with the general activity towards positive attitude or like activity.
2) A specific awareness to like activity is to decide to like an activity or object.
3) Feeling happy with the activity with all things related to the activity of interest.
4) Such activities have meaning or importance to the individual (personal importance or significance of the activity to the individual).
5) The intrinsic interest in the content of the activity is a pleasant emotion to center on the activity itself.
6) Participating in activities.

3 METHODS

The population in this study is all students at the Faculty of Agriculture and Faculty of Economics of Universitas Muslim Nusantara Al-Washliyah Medan that have received entrepreneurship courses. Samples used are as many as 175 (one hundred seventy five) people, with intentional sampling technique. Instruments used are questionnaires with Likert scale (1-5), with format: Strongly disagree; Disagree; Less/ Somewhat Agree: Agree: and Strongly agree.

A preliminary study is conducted to measure the reliability and validity of the instrument / questionnaire by using the Alpha Cronbach coefficient. The instrument said to be reliable if it has Alpha Cronbach coefficient α ≥ 0.6. The classical assumption test includes normality test, multicoleniarity test and heterocentasticity test.

3.1 Spearman Rank Correlation

In this study, for the relationship between variables Rank Spearman correlation coefficients is used. The essence of correlation analysis is to measure the strength of relationships between variables, without indicating a causal relationship (through computer assistance using the SPSS program v20).

3.2 Multiple Linear Regression Analysis

The Regression Equation Model is:

\[ Y = \alpha + \beta_1 EA + \beta_2 EM \] (1)

where:

- \( Y \) = Entrepreneurship Interest of Student (EI)
- \( \alpha \) = Constants
β1, β2 = Regression coefficient of independent variables
EA = Entrepreneurship Attitude of Student (X1)
EM = Entrepreneurship Motivation (X2)

3.3 Research Hypothesis

In accordance with the purpose of this study, the research hypotheses are formulated as follows:

H1: The entrepreneurship attitude of the students correlates significantly in increasing entrepreneurship interest of the students.

H2: The entrepreneurship motivation of students correlates significantly in increasing the entrepreneurship interest of the students.

4 RESULT

4.1 Preliminary Research

The main purpose of this preliminary study is to examine the reliability and validity of the instruments used in this study.

Reliability and Validity Test Results

Table 2: summarized the results of the validity and reliability test on the instrument.

<table>
<thead>
<tr>
<th>Variable</th>
<th>KS-Z</th>
<th>Asymp.Sig (2-tailed)</th>
<th>Collinearity</th>
</tr>
</thead>
<tbody>
<tr>
<td>EA</td>
<td>0.832</td>
<td>0.493</td>
<td>0.856</td>
</tr>
<tr>
<td>EM</td>
<td>1.364</td>
<td>0.058</td>
<td>0.856</td>
</tr>
<tr>
<td>EI</td>
<td>1.471</td>
<td>0.076</td>
<td>-</td>
</tr>
</tbody>
</table>

From Table 2 above it can be seen that all assessment instrument variables are valid because they have Cronbach alpha coefficients of variable: α > 0.6 respectively.

4.2 Classic Testing

Multiple linear regression model must fulfill some of the so-called classic test questions, namely:

Normality test

There are several ways of performing data normality tests, such as looking through histogram data patterns or graph analysis and Kolmogorov Smirnov tests. In this study both test analysis is used.

Figure 1, 2 and 3 below show that the data pattern of the study is normal distribution. In addition to viewing from the histogram data pattern as shown below, the data normality is also viewed through Normality test using Plot of Possible Normal.

From the picture above, it appears that the residual points are located and follow the normal distribution pattern. It also uses the test of normality Kolmogorov Smirnov, shown as follows.

Table 3: Classical Assumption Test Result.

<table>
<thead>
<tr>
<th>Variable</th>
<th>KS-Z</th>
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<th>Collinearity</th>
</tr>
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<tr>
<td>EI</td>
<td>1.471</td>
<td>0.076</td>
<td>-</td>
</tr>
</tbody>
</table>

Table 3 above shows that the value of Asymp. Sig. (2-tailed), indicates that all observed variables are entrepreneurship attitude, entrepreneurship motivation student’s and entrepreneurship interest, each having p value = 0.493; p = 0.058; and p = 0.076, it means that all study variables have p > 0.05, so it can be concluded that the data is normally distributed. The results of this test indicate that the data can be tested using parametric statistics.

Multicollinearity Test

Multicollinearity is the existence of a perfect linear relationship between some and all independent variables (Gujarati, 2003). The multicollinearity test can be observed from the Variance Inflation Factor (VIF) and Tolerance values. If the VIF value is around one and the Tolerance number is close to one, multicollinearity may occur (Singgih, 2001). However, if the Tolerance value > 0.10 and VIF <10, then the regression model does not occur multicollinearity.

From the multicollinearity test results it is found the Tolerance and VIF values as in Table 3, so it is concluded that there is no multicollinearity
because the study variables have Tolerance > 0.10 and VIF <10.

Heteroscedasticity Test
The heteroscedasticity test used in this study is to use a column plot. In Figure 5 it is shown that the residual plot is random, not describing a particular force such as wavy, widened or narrowed, so it can be concluded that the linear regression model in this study is liberated rather than heteroscedasticity.

### 4.3 Pearson's Correlation Analysis

The table below shows the results of Pearson's correlation analysis of each study variable. From Table 4 above it can be seen that all the independent variables are significantly correlated with the dependent variable i.e. entrepreneurship variable, with the correlation coefficient of each rEI = 0.265*, rEM = 0.53**. Thus, entrepreneurial motivation variable with entrepreneurship attitude variable is significantly correlated by rEM = 0.385**.

<table>
<thead>
<tr>
<th>Variables</th>
<th>B</th>
<th>Nilai t</th>
<th>Sig.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Constants</td>
<td>1.993</td>
<td>3.915</td>
<td>0.000</td>
</tr>
<tr>
<td>EA</td>
<td>0.097</td>
<td>0.675</td>
<td>0.505</td>
</tr>
<tr>
<td>EM</td>
<td>0.418</td>
<td>4.627**</td>
<td>0.000</td>
</tr>
<tr>
<td>R²</td>
<td>0.284</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Adj R²</td>
<td>0.263</td>
<td></td>
<td></td>
</tr>
<tr>
<td>F-Test</td>
<td>14.153**</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Sig. (2-tail)</td>
<td>0.000</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

From Table 5 above, it can be seen that the entrepreneurial motivation variable shows a significant effect on entrepreneurship interest with the level of significance below 5%, while the entrepreneurship attitude variable shows no significance with the entrepreneurship interest students of University Muslim Nusantara Al-Washliyah Medan, with the level of significance more than 5%. Furthermore, from Table 5 above, it can be seen that the value of R² is 0.284, it means that the 28.4% change of the entrepreneurship interest variable can be explained by the independent variable that is entrepreneurship attitude and entrepreneurship motivation variable, while the rest 71.6% is explained by other variables outside the independent variables studied.

The F-test value of 14.153** with α <5%, means that simultaneously independent variables significantly influence entrepreneurship interest of UMN Al-Washliyah Medan students. From Table 5 above, then obtained Models of Multiple Linear Regression Equation from research are as follows:

\[ Y = 1.993 + 0.097 \, EA + 0.418 \, EM \]  

where:  
\( Y \) = Entrepreneurship of Interest (EI)  
\( EA \) = Entrepreneurship of Attitude  
\( EM \) = Entrepreneurship of Motivation

### 5 DISCUSSION

Simultaneously, the entrepreneurship attitude and entrepreneur motivation student’s from University of Muslim Nusantara Al-Washliyah Medan significantly influences the interest in entrepreneurship, but partially only entrepreneurship motivation factor that significantly increases entrepreneurship interest, while the entrepreneurship attitude factor of students does not significantly increase student entrepreneurship interest.

Table 4: Pearson's Correlation Coefficient.

<table>
<thead>
<tr>
<th></th>
<th>EI</th>
<th>EA</th>
<th>EM</th>
</tr>
</thead>
<tbody>
<tr>
<td>EI</td>
<td>1</td>
<td>0.265*</td>
<td>0.011</td>
</tr>
<tr>
<td>EA</td>
<td>0.265*</td>
<td>1</td>
<td>0.385**</td>
</tr>
<tr>
<td>EM</td>
<td>0.011</td>
<td>0.385**</td>
<td>1</td>
</tr>
<tr>
<td></td>
<td>0.000</td>
<td>0.000</td>
<td></td>
</tr>
</tbody>
</table>
The motivation factor of students in entrepreneurship is driven by the ambition of independence in the form of the desire to open their own business and likes to freedom in the move. On the self-realization factor is motivated by the desire to gain a better position, and the desire to motivate and direct others. Another driving factor for becoming an entrepreneur is the desire to earn extra money. Assessment of students in other characteristics of entrepreneurship for organizational behaviour factors, students assess to provide opinions and suggestions to others and able to convince and inspire others in a better way.

6 CONCLUSION AND SUGESTION

6.1 Conclusion

Simultaneously, variables of entrepreneurship attitude and entrepreneur motivation student’s University of Muslim Nusantara Al-Washliyah Medan significantly correlate and increase student’s interest in entrepreneurship, but partially only motivation entrepreneurship that significantly increase entrepreneurship interest, while entrepreneurship attitude student’s is not significantly increase student entrepreneurship interest.

The results of this study indicate that the interest of students in entrepreneurship is shown from the indicators of the existence of student knowledge and information about the entrepreneur, then followed by the sense of interest to become entrepreneurs. Feeling challenged and happy and proud to be entrepreneurs, even a sense of courage in entrepreneurship has not grown well. Therefore, it is necessary to provide insight into the knowledge and training of entrepreneurship better so that students can understand that entrepreneurship is a preferred form of job that much in demand in the future. Fertilizing the entrepreneurial spirit should also be done through doing entrepreneurial training by practitioners. Training students’ self-confidence is expected to change their opinion to become entrepreneurs which will be able to provide a better life. This research will be more useful if University of Muslim Nusantara Al-Washliyah can apply entrepreneurship education courses to all existing study programs.

6.2 Suggestion

Interest and mindset students from University of Muslim Nusantara Al-Washliyah in running entrepreneurship have not reached the satisfactory stage because it is still in the stage of understanding or knowing about entrepreneurship, so it takes hard work to improve the quality through training and learning. Changing the mindset that entrepreneurship is an honourable job choice needs to be done by giving examples of successful entrepreneurs. It is necessary to undertake the fertilization of the entrepreneurial spirit of the student with the initial practice of entrepreneurship practice. The experience of students will train their self-confidence and this is expected to change their mindset that being an entrepreneur can provide a better life.

The attitude of most students does not like the challenge and does not dare to take risks. In addition, students tend to be afraid of being in debt. In relation to risk tolerance, students should be trained to make mature business planning, how much profit and loss, so that it can reduce the risk of failure. Students are trained to seek relevant information that supports their efforts in making decisions quickly and confidently on the basis of careful business planning. To improve negotiation skills, ability to sell and cooperate with others, students are trained in some skills such as training for managerial skills, business, establishing good relationships in developing their business through organizational development in campus environment and training soft skills so that students not only master the theory. To foster entrepreneurship interest, students can apprentice to successful entrepreneurs, so students can immediately see examples of what actions, decisions, and skills are used and practice the overall factors that drive success in entrepreneurship.

REFERENCES


