

## Self-Efficacy and Entrepreneurial Intention of University Students

Achmad Sudjadi<sup>1</sup>, Ekaningtyas Widiastuti<sup>2\*</sup>, Larisa Pradisti<sup>3</sup>, Simin<sup>4</sup>

<sup>1</sup>Universitas Jenderal Soedirman, achmad.sudjadi@unsoed.ac.id, Indonesia

<sup>2\*</sup> Universitas Jenderal Soedirman, widtyas@gmail.com, Indonesia

<sup>3</sup>Universitas Jenderal Soedirman, larisa.pradisti@unsoed.ac.id, Indonesia

<sup>4</sup>Universitas Jenderal Soedirman, siminwisnuaji@yahoo.com, Indonesia

\*Ekaningtyas Widiastuti

---

### ABSTRACT

Students' interest in entrepreneurship is a problem that can be improved through internal factors such as self- efficacy. The study aims to determine the role of self-efficacy on entrepreneurial intention in students who learn to start a business by participating in an entrepreneurship program organized by universities. The sampling technique used in this study is convenience sampling with a sample size of 50. Based on the results of the analysis using a regression analysis tool, it was found that self-efficacy has a positive impact on entrepreneurial intention. The University efforts through entrepreneurship programs can be increased by providing motivation and direction or soft skills training so as to increase self-efficacy, self-confidence in achieving success in entrepreneurship.

**Keywords:** Entrepreneurial Intention, Self- Efficacy, Entrepreneurship.

---

### 1. Introduction

The increasing number of unemployed with limited employment opportunities has become a concern for the government to be able to overcome these problems. Based on data from the Central Statistics Agency (BPS), the number of unemployed in Indonesia was 9.1 million people as of August 2021, out of a total workforce of 139.81 million. In terms of education, many college graduates are not working. One way to deal with unemployment in Indonesia that occurs among college graduates is entrepreneurship. The government has begun to mobilize funding programs and entrepreneurship education through universities and vocational schools. Entrepreneurship education in higher education is expected to provide output in the form of graduates who are able to compete and become job creators rather than job seekers.

An entrepreneurial spirit will be formed to create new entrepreneurs who are independent and able to develop their jobs. Entrepreneurship trains one's independence in thinking, solving problems, taking advantage of existing things, and seizing opportunities in the surrounding environment. Entrepreneurial Student Program called *Program Mahasiswa Wirausaha* (PMW) is one of the programs organized by universities to create student interest and confidence in learning entrepreneurship. In addition, through this program, students can develop innovation and creativity.

Interest, tenacity, enthusiasm, and never giving up are the basis of an entrepreneur (Nugroho et al., 2020). Interest in entrepreneurship significantly affects the readiness of students to become job creators because if students have a high interest in entrepreneurship, ideas in producing something new will continue to flow (Tritularsih & Sutopo, 2017). Self-efficacy is one of the internal factors that can play a role in influencing student entrepreneurship interest. Bandura (1997) states that someone with self-efficacy will be able to manage and take action to achieve goals. Self-efficacy also builds a desire to start a business, making someone think creatively and innovatively in creating new products. Thus, entrepreneurial self-efficacy can be a measure of one's intentions towards something that is believed. Starting a business requires confidence in our abilities that our business will succeed. Confidence in ourselves will foster one's entrepreneurial intentions.

Several studies found a positive relationship between self-confidence and entrepreneurial intention and provide support for the effect of education on intentions to start their own business (Nugroho & Sulistyowati, 2019). Similar results were also found by Rahayu and Anfajaya (2019) that there is a positive relationship between self-efficacy and interest in entrepreneurship, the higher self-efficacy in students, the higher the interest in entrepreneurship. Artiandewi (2016) found a positive and significant effect of entrepreneurial self-efficacy on students' entrepreneurial intentions. Based on the previously presented problems, this study aims to examine the role of self-efficacy in increasing Entrepreneurial Intention among General Sudirman University Students.

## **2. Literature Review**

### *2.1 Entrepreneurial Intention*

The intention is the desire to perform a certain behavior or action. Saiman (2014) defines entrepreneurship as an effort to create activities, businesses, or business activities of one's own volition and establish a business or business based on one's own will and ability. Entrepreneurial intention is said to be a desire, interest, and willingness to work hard to run a business, always learn from the failures experienced, and develop the business created.

Someone with entrepreneurial intentions will have the readiness and make progress in their business compared to someone without entrepreneurial intentions to start a business. Entrepreneurial intentions start from choosing a business path and choosing a career as an entrepreneur, and then one can plan to start opening a business according to the goals to be achieved. Entrepreneurial interest is influenced by several factors, according to Hendro (2011: 61-63), some factors influence interest in entrepreneurship, including (1) individual / personal factors, (2) education, (3) family encouragement, (4) compulsion and circumstances.

### *2.2 Self-Efficacy*

Based on the Theory of Planned Behavior, there are three important elements in relation to interest in entrepreneurship, one of which is Perceived Behavioral Control (PBC) or self-efficacy (Chrismardani, 2016). Self-efficacy is a person's belief as a personal control tool related to motivation, a thought process in which students have good self-confidence in their ability to be successful in entrepreneurship. It has an important role in shaping a person's behavior, including behavior in entrepreneurship interest.

According to Munawar (2019), self-efficacy is a self-assessment of whether an individual can perform good or bad actions, right or wrong, or can or cannot do as required. Furthermore, self-

efficacy is the self-perception of how well one can function in certain situations (Alwisol, 2008: 287). Self-efficacy relates to the belief that one can perform the expected actions to succeed in a job, including entrepreneurship.

Self-efficacy is encouragement and stimulation that comes from the outside or the people around that produce self-confidence so that it creates a solid spirit to be able to achieve a specific goal from the business he is doing at that time which will have an impact on the future. Self-efficacy is contextual and depends on what is being faced and under his beliefs. Self-efficacy also comes from the social support provided by the people around them.

### **3. Research Methods**

#### *3.1 Type of Research*

This type of research uses causal associative quantitative research. This research uses information in the form of numbers and analyzes the effect of the self-efficacy variable on Entrepreneurial Intention.

#### *3.2 Method of collecting data*

Data collection was carried out by several methods, namely by using questionnaires and interviews. Data were obtained through several questions posed to respondents in the form of closed questionnaires so that respondents directly chose the available answers, and open questionnaires were equipped with interviews with several respondents and sources that were deemed relevant and by making direct observations of the object under study.

#### *3.3 Population and Sample*

The target population of this study was students of the Entrepreneurial Student Program (PMW) business group. The sampling technique in this study used purposive sampling, with the criteria of PMW team students who passed the 2022 funding.

#### *3.4 Measurement of Research Variables*

The variables of this research are self-efficacy and entrepreneurial intention. Measurement of the two variables using a Likert scale: strongly agree - agree - disagree - strongly disagree.

#### *3.5 Analysis Method*

The analysis phase includes the identification of respondents' characteristics, validity and reliability tests, descriptive statistics, classical assumption tests, and regression analysis using SPSS 21.0 software to test the effect of self-efficacy on entrepreneurial intention.

### **4. Results and Discussion**

#### *4.1 Respondent Profile*

Respondents in this study were Unsoed students who received funding for the Entrepreneurial Student Program. The number of questionnaires that were filled out by the respondents was 50 respondents. The profile of respondents who were taken as samples in this study can be seen in table 1 below.

Tabel 1. Respondent Profile

<i>Respondent Profile</i>	<i>Description</i>	<i>Total</i>	<i>Percentage (%)</i>
Gender	Female	34	67
	Male	17	33
	Total	51	100
Type of business	Creative Industry	16	31,37
	Culinary	21	41,18
	Cultivation	7	13,73
	Service	6	11,76
	Trading	1	1,96
	Total	51	100
Faculty	FMIPA	5	9,8
	FEB	15	29,4
	FISIP	10	19,6
	FIKES	8	15,7
	FT	3	5,9
	FAPERTA	7	13,7
	FIB	2	3,9
	FH	1	2,0
	Total	51	100

In table 1, it can be seen that from 51 respondents, most of the respondents in the study were dominated by women. Based on the type of business, most of the respondents in this study started their business in the culinary field (food or beverage). Furthermore, based on the origin of the faculty or study program, it is known that the respondents who received funding were more students from the FEB and FISIP. This is because quite a lot of students from the faculty are interested in starting a business through the PMW program.

#### *4.2 Results of Data Analysis and Discussion*

After the results of the validity and reliability tests and the classical assumption test were met, then to answer the research hypothesis, statistical analysis was carried out using the SPSS program. Based on the results of regression analysis with a significance level of 5%. The research results are obtained in table 2 below.

Tabel 2. Regression Analysis Results

<b>Variable</b>	<b>B</b>	<b>t-test</b>	<b>Sig.</b>
Constant	12,577	2,728	0,009
Self Efficacy (X)	0,592	3,660	0,001
R <sup>2</sup>	0,215		
Sig. F	0,001		

Coefficient of Determination (R<sup>2</sup>)

Based on table 2, it can be seen that the magnitude of the coefficient of determination ( $R^2$ ) is 0.215. The value of 21.5% indicates that the regression equation model in this study can explain the relationship between the variable interest in entrepreneurship and the variable self-efficacy of 21.5%. In contrast, the remaining 78.5% is influenced and explained by other factors outside the model that were not tested in this study.

#### Model Accuracy Test (F Test)

The result of the calculated F value is known with a significance value (0.001) (0.05), which means that the regression equation model formed has a goodness of fit.

#### Partial Test (t Test)

Based on the partial test results shown in table 2, the significance value of the self-efficacy variable is 0.001, less than 0.05, meaning that, partially, self-efficacy has a positive effect on entrepreneurial interest.

### *4.3 Discussion*

The results of the analysis show that entrepreneurial self-efficacy has a positive effect on entrepreneurial interest. The higher the self-confidence that students have in entrepreneurship, the more they will increase their interest in entrepreneurship, and vice versa, the lower the entrepreneurial self-efficacy that a person has, the lower the students' intentions for entrepreneurship.

Entrepreneurial intention is an intention that arises in a person to behave as a creative and independent entrepreneur and dare to take risks, take advantage of opportunities, and be able to process existing resources. Entrepreneurial intentions can arise if someone already has strong self-efficacy for entrepreneurship. Therefore, a strong entrepreneurial intention can be had if a person has excellent self-efficacy in entrepreneurship and has received entrepreneurship education.

Entrepreneurial self-efficacy is a belief in oneself for entrepreneurship. People who have the self-confidence to be able to do entrepreneurship will be more likely to act and make themselves successful compared to people who do not have the confidence to be entrepreneurs. Entrepreneurial self-efficacy can be obtained, changed, increased, or decreased. This finding is in line with the Theory of Planned Behavior that there are three essential elements of interest in entrepreneurship which further strengthens the element of Bandura Social Learning Theory, which states that self-efficacy can influence entrepreneurial intentions among students (Saraih et al., 2018).

Most Universitas Jenderal Soedirman students who take part in the Entrepreneurial Student Program, both those who have just started a business or whose business is already running, have confidence in running their business, have the skills needed for entrepreneurship, and can overcome the problems they face. They also believe that they will benefit from the businesses they run and can lead and influence the environment. The results of this study align with previous research conducted by Zhao et al (2005); Nurhidayah (2014); and Artiandewi (2016), there is a positive and significant effect of self-efficacy on entrepreneurial intentions. The results showed that the entrepreneurial self-efficacy of students had the most significant and positive influence on their intention to become an entrepreneur. Wijangga & Sanjaya (2019) also found the same result that there is a positive and significant relationship between entrepreneurial self-efficacy and

entrepreneurial intention. More specifically, entrepreneurial self-efficacy greatly influences students' entrepreneurial intentions both directly and indirectly (Pihie & Bagheri, 2013).

## **5. Conclusions and Recommendations**

After reviewing and based on the analysis results regarding the role of self-efficacy on Entrepreneurial Intention, it can be concluded that self-efficacy has a positive effect on Entrepreneurial Intention. The higher one's self-confidence in entrepreneurship, the higher the interest in entrepreneurship, and vice versa.

Entrepreneurial intention is an intention that arises in a person to behave as a creative and independent entrepreneur and dare to take risks, take advantage of opportunities, and be able to process existing resources. Entrepreneurial intentions can arise if someone already has strong self-efficacy for entrepreneurship. Therefore, a solid entrepreneurial intention can be had if a person has excellent self-efficacy in entrepreneurship and has received entrepreneurship education.

This research still has limitations related to the number of respondents who became the sample only students who received PMW funding at Jenderal Sudirman University. So further research could take a wider scope of respondents because students who are entrepreneurs are not the only ones who get funding. The value of the coefficient of determination ( $R^2$ ), which tends to be small, which is 21.5%, indicates that 78.5% of student interest in entrepreneurship (entrepreneurial intention) is explained by other variables that have not been studied. So it is hoped that further research can use other variables that influence interest in entrepreneurship and develop student entrepreneurship models.

## **References**

- Alwisol. 2008. Psikologi Kepribadian. Malang: UMMPress.
- Anfajaya, M.Aqso dan Rahayu, Arini (2018). Self-Efficacy Dengan Minat Berwirausaha Yang Dimediasi Oleh Kreativitas Pada Mahasiswa/I. Fakultas Ekonomi Universitas Muhammadiyah Malang. Naskah Prosiding Temilnas XI IPPI. ISBN : 978-60274420-7-8.
- Artiandewi, Aninda. 2016. Pengaruh Efikasi Diri Berwirausaha Dan Pendidikan Kewirausahaan Terhadap Intensi Berwirausaha Mahasiswa Pendidikan Administrasi Perkantoran Universitas Negeri Yogyakarta. Skripsi. Universitas Negeri Yogyakarta.
- Bandura, A. (1997). Self-efficacy: The exercise of contro. New York: W.H. Freeman and Company.
- Chrismardani, Y. (2016). Theory Of Planned Behavior Sebagai Prediktor Intensi Berwirausaha. Kompetensi Vol.10 No.1, 28(3), 550–562.
- Hendro. 2011. Dasar-dasar Kewirausahaan. Jakarta: Erlangga.
- Munawar. (2019). Pengaruh Pendidikan Kewirausahaan Dan Self Efficacy Terhadap Minat Berwirausaha Siswa. Prosiding Seminar Naional Pendidikan KALUNI, 2, 398–406.
- Nugroho, Sinta dan Sulistyowati, (2019). Pengaruh Self Efficacy Terhadap Minat Berwirausaha Mahasiswa STKIP PGRI Jombang. Jurnal Pendidikan Ekonomi: Jurnal Ilmiah Ilmu Pendidikan, Ilmu Ekonomi, dan Ilmu Sosial 275, Volume 14 Nomor 2. DOI: 10.19184/jpe.v14i2.19526

- Nurhidayah. (2014). Pengaruh Efikasi Diri Terhadap Intensi Berwirausaha Mahasiswa Program Studi Pendidikan Administrasi Perkantoran Angkatan 2010-2012 FE UNY. Skripsi. Yogyakarta: Program Studi Pendidikan Administrasi Perkantoran Fakultas Ekonomi UNY.
- Pihie, Zaidatol Akmaliah Lope and Bagheri. (2013). Self-Efficacy and Entrepreneurial Intention: The Mediation Effect of Self-Regulation. *Vocations and Learning* 6:385–401. DOI 10.1007/s12186-013-9101-9.
- Saiman, L. (2014). *Kewirausahaan: Teori, Praktik dan Kasus-kasus*. Jakarta: Salemba Empat.
- Saraih et al. (2018). The Influence of Self-Efficacy on Entrepreneurial Intention among Engineering Students *MATEC Web of Conferences* 150, 05051 (2018) <https://doi.org/10.1051/mateconf/201815005051>.
- Tritularsih, Y., & Sutopo, W. (2017). Peran Keilmuan Teknik Industri Dalam Perkembangan Rantai Pasokan Menuju Era Industri 4 . 0. Seminar Dan Konferensi Nasional IDEC, 507–517.
- Wijangga, Jennifer dan Sanjaya Ersan Lanang, (2019). The Relationship between Entrepreneurial Self-Efficacy and Entrepreneurial Intention among University Students. *Jurnal Entrepreneur dan Entrepreneurship*. VOL 8 NO 1 E-IssN : 2580-9393, Universitas Ciputra Surabaya. DOI: <https://doi.org/10.37715/jee.v8i1.1113>
- Zhao, H., Seibert, C., & Hills, C. 2005. The Mediating Role Of Self-Efficacy In The Development Of Entrepreneurial Intentions. *Journal of Applied Psychology*(90): 1265-1272.