

The Impact of Entrepreneurship Education and Family Environment: On Entrepreneurship Motivation of College Students

Auliya Nurmalasari¹ and Nuning Kristiani²

¹Department of Management, STIE YKPN Yogyakarta, Indonesia

²Department of Management, STIE YKPN Yogyakarta, Jalan Seturan, Yogyakarta, 55281, Indonesia

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Abstract: The study investigates the influence of entrepreneurship education and family environment towards the motivation of students in STIE YKPN Business School. The entrepreneurship motivation was the dependent variable and the independent variables were entrepreneurship education and family environment. The total population for this study was 183 people. Considering that there are students who have graduated, not all population are taken as samples. In order to represent the study population, the Slovin formula is used to determine the number of samples. Based on the calculation of the Slovin formula, the sample in this study amounted to 126 respondents. Then, the data was analyzed using multiple regression method. The results of the study showed that entrepreneurship education and family environment proved to be significantly positive for entrepreneurial motivation. This study proves that the educational process that has been applied at YKPN Business School both theoretically and practically has successfully motivated students to become entrepreneurs. On the other hand, a family environment that contains guidance, support, and direction from a student's family also has an influence on the motivation to become an entrepreneur.

1 INTRODUCTION

The number of unemployment in Indonesia is exceedingly high due to the rising level of demography which was not equalized by the growth of work opportunities available. There are too many graduates whose future relies on job providers. They are not courageous enough to apply what they have learnt in college and prefer to be job seekers as subordinate workers.

The infusion of motivation becomes the concern of YKPN Business School too. Accordingly, the subject of entrepreneurship is offered with two essential methods. The first is lecturing of the foundation of entrepreneurship and building motivation in class. Second, the students have to do their business experiment. The business practices of STIE YKPN students are located in the business laboratory which is on the 2nd and 3rd floors of the STIE YKPN building. The business laboratory is a facility provided by the campus to support student entrepreneurship activities.

In the Indonesian culture, families have the important role in character building. Furthermore, parents are also a determining factor in their child's

career choices. Most parents think that the job of being an employee in a company is better than being an entrepreneur. In some cases the family does not really support the desire of the student to be an entrepreneur because of the lack of skills and high risk of lost. However, students will be motivated to become entrepreneurs if they understand about the benefits of entrepreneurship, such as creating jobs for others and having a higher income than an employee.

1.1 Statement of the Problem

In this study, we will try to address the issue, which is "The influence of entrepreneurship education and family environment on entrepreneurial motivation of STIE YKPN students".

1.2 Objective of the Study

The objective of the study was to identify the factors that are influencing entrepreneurship education and family environment on entrepreneurship motivation.

2 LITERATURE REVIEW

2.1 Entrepreneurship Motivation

Entrepreneurship motivation is self-encouragement to actualize the potential an individual has in thinking creatively and innovatively to create valuable brand-new unique product or service that is beneficial to others. There are two main motivation factors: 1) intrinsic factor which comes from the inner part of the individual due to some stimulus such as the need of income, self-prestige, and happiness, and 2) extrinsic factor is influenced by the external stimulus like family, society, opportunity, and education.

It is expected that students who have obtained entrepreneurship education to exhibit high motivation. Entrepreneurship education is a process of instilling, growing, and forming students' entrepreneurial competence through improving knowledge obtained from and their experience and practical engagement in lectures. Knowledge learned and skills trained and developed during a semester taking the course is expected to boost students' motivation and attitude from inside towards becoming an entrepreneur (Raposo and do Paco, 2011). Practicality of entrepreneurship education is able to improve students' entrepreneurial competencies developed during the course and provide a positive impact on students' entrepreneurial motivation (Farhangmehr et al., 2016).

There are three factors that influence a person to start a new business, namely: personal factors (personality), sociological factors (relationships with family and friends), and environmental factors (Buchari, 2011). According to Buchari (2011), family relationships belong to the sociological category. The closest environment for a child is family and the second is the community and friends. Family encouragement especially from parents is very important in fostering entrepreneurial spirit in their children.

2.2 Entrepreneurship Education

According to Hamalik (2006), education is "a combination composed of human elements, facilities, equipment and procedures that influence the achievement of education objectives". There are 3 (three) formulas that are considered more advanced (Hamalik, 2006), namely: 1) Education is an effort to organize the environment to create education conditions for students, 2) Education is an

effort to prepare students to become good citizens, 3) Education is a process of helping students deal with people's daily lives.

Some researchers have conducted research to find evidence of the influence of entrepreneurial education on entrepreneurial motivation. Like research conducted by Oosterbeek et al., (2010) which shows the results that entrepreneurial education does not affect entrepreneurial motivation. Different research results are shown by research conducted by Yulianti (2013). In this study showed that there is a significant influence between the lessons of entrepreneurship and motivation towards the students' entrepreneurial interest which are 42.70% and 57.30% respectively. This may be as much as the other influences that are not researched.

2.3 Family Environment

Family is the smallest group of society consisting of father, mother, children, and other members as the foundation for the development of the children as the initial basic aspect to shape the personality. Related to entrepreneurship motivation, it will be formed when the family gives positive influence to the desire to do entrepreneurship. Yusuf (2012) said that family is the first social group in humankind life where an individual learns and actualizes himself as a social creature in interacting with other people in his group. Slameto (2010) added that family is the first place for a child to grow up where ideology, attitude, behavior, and motivation given by parents influence the child's development. This statement is corroborated by several previous studies which show evidence that there is influence of the family environment on entrepreneurial motivation (Shittu, 2014) and (Marhaini et al., 2014).

2.4 Research Model

Based on the explanation above the following is the research model proposed in this study:

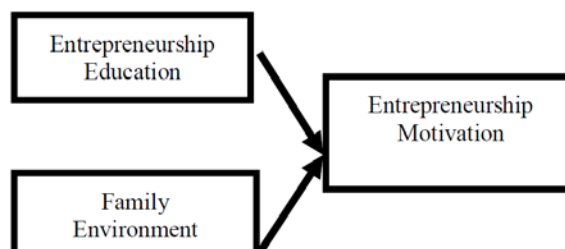


Figure 1: Research Model.

2.5 Hypotheses

- H₁:** There is a positive and significant impact on entrepreneurship education towards the entrepreneurship motivation of YKPN Business School Yogyakarta.
- H₂:** There is a positive and significant impact on the family environment towards the entrepreneurship motivation of YKPN Business School Yogyakarta.
- H₃:** Simultaneously, there is a positive and significant impact on the entrepreneurship education and the family environment altogether towards the entrepreneurship motivation of YKPN Business School Yogyakarta

3 RESEARCH METHOD

3.1 Research Period

The location of the study was conducted at STIE YKPN, Yogyakarta. The study was conducted for 5 months, starting from January to June 2018.

3.2 Sample and Data Collection Techniques

The sampling method used was purposive sampling, namely the selection of a group of subjects in purposive sampling based on certain characteristics that are considered to have a close connection with the characteristics of the population that has been known in advance. In other words, the unit of sample contacted is adjusted to the certain criteria applied based on research objectives (Margono, 2004). Data collection techniques used a questionnaire, which is a data collection technique that researchers use in the form of a series of questions to be answered by respondents.

3.3 Sampling Design and Sample Size

Entrepreneurship education is taken by students in the final year of college. While the data collection period of this research was conducted during the even semester of 2017/2018 academic year. Therefore, the actual population in this study are students who take entrepreneurship education courses during the first semester and the second semester of the 2017/2018 academic year. The following is the data of students who took entrepreneurship education in the 2017/2018

academic year:

Table 1: Entrepreneurship Education Students 2017 – 2018 Year of Academic.

	Amount of Students
1 st Semester	120
2 nd Semester	63
Total	183

Source: Data Processing (2018)

Based on the data above, the total population for this study was 183 people. Considering that there are students who have graduated, not all populations were taken as samples. In order to represent the study population, the Slovin formula was used to determine the number of samples (Ryan, 2013). The Slovin formula is as follows:

$$n = N / (1 + Ne^2) \tag{1}$$

Explanation:

- n = Number of samples
- N = Total population
- e = Error tolerance (5%)

By using the Slovin formula, the sample in this study is

$$n = 183 / (1 + 183 (0.05)^2)$$

$$n = 125.55 \text{ rounded up to } 126$$

Margono (2004) argued that population of the whole data is the main concern of a researcher in a specific time and place, and it is related tightly with the data. There were 126 respondents in this study which consisted of 67 male respondents (53%) and 59 female respondents (47%).

3.4 Variable Measurement and Questionnaire

All variables are measured using a Likert Scale. According to Djaali (2008), the Likert scale is a measuring tool to measure the values, attitudes, interests, and concerns that are arranged in the form of statements or questions to provide an assessment by the respondent and the results in the form of a value range in accordance with the specified criteria.

3.5 Data Validity and Reliability

The data in this study have been through the test of data instruments namely validation and reliability. Both tests show that there is no problem regarding validity and reliability. Reliability testing by looking at the total correction value of item-item, the result of all reliability values above the required r table

value is equal to 0.1750. To ensure the reliability of the instruments, we used the Cronbach alpha measure, and the results are the following: entrepreneurship education: 0.846; family environment: 0.795, and entrepreneurship motivation: 0.892. We can conclude that all instruments meet the recommended values (>.5) (Widodo, 2006).

Table 2: The following are the questions used in the questionnaire.

<p>Entrepreneurship Education</p> <ol style="list-style-type: none"> 1. I understand the contents of the syllabus as a reference for learning entrepreneurship 2. The material provided is in accordance with the contents of the syllabus 3. The syllabus content covers the objectives of entrepreneurial education to be achieved 4. The learning method used is in accordance with the material to be delivered 5. The method used makes me understand the concept of entrepreneurship 6. Business practice is a fun method of learning entrepreneurship 7. The campus provides facilities and infrastructure for the practice of entrepreneurship 8. The Business Laboratory is the right place for students to learn entrepreneurship 9. I was enthusiastic when attending entrepreneurship courses
<p>Family environment</p> <ol style="list-style-type: none"> 1. My parents always teach to be honest 2. My parents always teach discipline 3. My parents provide support for entrepreneurship 4. My parents directed me to become an entrepreneur 5. My parents released me to entrepreneurship 6. My family educates to always work hard
<p>Entrepreneurial Motivation</p> <ol style="list-style-type: none"> 1. I am ready for entrepreneurship 2. I have started a new business after completing entrepreneurship education 3. I can be a successful person with entrepreneurship 4. Being an entrepreneur is more profitable than being an employee 5. Being an entrepreneur is my goal 6. I am driven to be an entrepreneur for a better future

4 DATA ANALYSIS AND FINDINGS

4.1 Regression Analysis

The regression equation:

$$Y = 0.734 + 0.350 X_1 + 0.431 X_2$$

The meaning of the regression equation is as follows

1. A constant value of 0.734 indicates a positive value. This means showing the positive influence of independent variables (entrepreneurship

education and family environment) on the dependent variable (entrepreneurial motivation).

2. The regression coefficient of entrepreneurial education is 0.35 and has a positive value. This means that if the entrepreneurship education variable increases by one unit, then the entrepreneurial motivation variable will also increase by 0.35.
3. The family environment regression coefficient value is 0.431 and has a positive value. This means that if the family environment variable increases by one unit, then the entrepreneurial motivation variable will also increase by 0.431.

4.2 Hypothesis Testing

The result of the Partial Test was that Entrepreneurship Education (EL) had t-count 3.238 bigger than t-critical with the significance $0.002 > 0.05$. The conclusion is that H_a was accepted and H_0 was rejected.

While the Family Environment (FE) had t-count 4.921 bigger than t-critical with the significance of $0.000 > 0.05$. The same conclusion is drawn that H_a was accepted and H_0 was rejected.

For the simultaneous testing, the result was that Entrepreneurship Education (EL) and Family (F) had F-count 23.827 bigger than F-critical 3.07 with the significant level $0.000 > 0.05$. Therefore, the conclusion is that entrepreneurship education and the family environment are proven to have a simultaneous effect on entrepreneurial motivation.

Therefore, the conclusion are entrepreneurship education and family environment has positive and significant influence towards entrepreneurship motivation. The results of this study reinforce the results of previous studies conducted by Yulianti (2013) which prove that entrepreneurship education influences entrepreneurial motivation and research conducted by Shittu (2014) and Marhaini et al., (2014) which prove that the family environment influences entrepreneurial motivation.

4.3 Model Summary

Table 3: Model Summary.

Model	R	R Square	Adjusted R Square	Std Error of the Estimate
1	0.528	0.279	0.268	0.45972

Source: Data Processing (2018)

Adjusted R Square value was 0.268 which means that 26.8% of the change of dependent variable of

entrepreneurship motivation (Y) was influenced by both independent variables, and 73.2% was influenced by other variables not included in this study.

5 CONCLUSION AND SUGGESTIONS

5.1 Conclusion

Based on the data gained in this research, the conclusion is as follows. First, Entrepreneurship Education (EL) had t-count 3.238 bigger than t-critical with the significance $0.002 > 0.05$. The conclusion is that H_a was accepted and H_0 was rejected. Entrepreneurship education has positive and significant influence towards entrepreneurship motivation. In this study which was conducted in YKPN Business School, it was proven that the students are motivated to be an entrepreneur because of the material given during the lecture. The up to date theory were delivered by adjusting the recent business world in accordance with the business experiment. The business experiment was done by the students of YKPN Business School starting from planning until evaluating the business. In conclusion, the entrepreneurship education influences the motivation of the students of YKPN Business School to do entrepreneurship. This could be a good example for other colleges to apply what YKPN Business School has applied.

Second, the Family Environment (FE) had t-count 4.921 bigger than t-critical with the significance $0.000 > 0.05$. The same conclusion is drawn that H_a was accepted and H_0 was rejected. Family environment positively and significantly gives impact towards the entrepreneurship motivation since the family has strong influence to shape the personality of an individual. The guidance and encouragement provided by the family give effect to be an entrepreneur in the future. Since honesty, discipline, and hard-work are fundamental in undergoing a business.

Third, the simultaneous testing had F-count 23.827 bigger than F-critical 3.07 with the significant level $0.000 > 0.05$. Simultaneously, entrepreneurship education and family altogether influence the entrepreneurship motivation positively and significantly. It could happen whenever the education process is like what has been applied in YKPN Business School supported by the family who give guidance and encouragement.

5.2 Limitation

However, there are some limitations should be addressed. The first limitation concerns the reliability of the answers given by the respondents in answering the questionnaire. Second, this study only involved students from one institution. The findings and the level of generalizability may not be very high.

5.3 Recommendations

Therefore, future research could cover more data from more students of various educational institutions. It is also suggested that, first, the improvement of the teaching education process and the material need to be improved from time to time due to the tight competition in the future. Second, support and encouragement from family is inevitably needed to teach and guide the students to be an entrepreneur. Therefore, the family has to realize this matter and needs to give more attention towards this matter to keep the motivation high. Third, the government needs to have more concern about the matter of entrepreneurship education to create young entrepreneurs.

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