

## THE EFFECT OF ENTREPRENEURS EDUCATION TOWARDS ENTREPRENEURIAL INTENTIONS ON VIII GRADE STUDENTS AT ISLAMIC JUNIOR HIGH SCHOOL PROBOLINGGO

Siti Komariyah  
Aniek Indrawati

### ABSTRACT

*The purpose of this research is to determine the direct effect of entrepreneurship education on entrepreneurial intentions on VIII grade students at Islamic Junior High School Probolinggo. This research is quantitative research using linear regression analysis. This research was using SPSS program for Windows version 23.0. The subject in this study amounted to 168 students. The sampling technique in this study was using the proportional random sampling technique. The results of this study indicate that there is an effect of entrepreneurship education on entrepreneurial intentions in on VIII grade students at Islamic Junior High School Probolinggo.*

Keywords: entrepreneurship education, entrepreneurial intentions

### INTRODUCTION

Nowadays the world of education take an important role to bring out human resources (HR) in a good quality. In view of the fact that education can guarantee the survival and progress of a nation. Thus, in order to produce high quality, the main reliable media is education, as such it is education is an investment in the development of the country. In addition, education is an investment in the development of the country. By having high-quality human resources, it is able to increase the country's competitiveness in all fields which will ultimately qualified to optimize the nation's economic sector (Winarno, 2014:4-5).

Existing phenomena such as unemployment, poverty, and social inequality are problems that has been commonly faced by the Indonesian state so that it becomes a big challenge in entering global competition. The younger generation with the level of education they have in the present day has many difficulties in finding jobs. This is for the reason that the paradigm in the field is certain graduates hope to get a job and not create jobs. Another driving factor for educated unemployment is the mismatch between education output and employment opportunities.

Currently, unemployment and poverty occur because of the comparison between the number of job opportunities offered in all sectors, both at home and abroad which includes the industrial sector, agriculture, mining, transportation, tourism, education, health, and so on were not commensurate with the number of graduates or the supply of new workers produced at all levels of education up to tertiary institutions at all levels.

Seeing the various challenges in the world of work today, the Indonesian government encourages the millennial generation to dare start up and engage in the field of entrepreneurship. This is done as an effort to reduce unemployment. Job creation can make a positive contribution to the growth and development of a country's economy (Orhan & Schott, 2001:237).

Therefore, to be a successful entrepreneur, only be given talent was not enough, it is necessary to have knowledge about all aspects of business that will engaged ones in. So that there is a need for the entrepreneurship education by having the provision of entrepreneurship enlightenment would be allowed to encourage someone potential in entrepreneurship (Ogorelc, 1999:55).

Besides, entrepreneurship is one of the jobs on the road to open up business opportunities (Mcmullen & Shepherd, 2006:136). So it takes knowledge and skills to succeed in entrepreneurship. The essence of entrepreneurship education for the millennial generation is being able to plan and recognize business opportunities that exist in the subject area (Shepherd & Douglas, 1997:2).

Entrepreneurship education can motivate a person to develop his confidence along within his abilities to carry out activities for future success (Shinnar, dkk 2014:2). The main objective of entrepreneurship education is to increase awareness and understanding of entrepreneurship as well as the development of basic skill raises for a career.

Entrepreneurial activity is largely determined by the intentions of an individual himself. A person does not become an entrepreneur suddenly occurred without certain triggers. Entrepreneurial intention is the major key to comprehension entrepreneurship because the desire to start or create a business is influenced by intentions (Vuorio, dkk 2017:360). Entrepreneurial intention is defined as the intention possessed by an individual to start a business in order to achieve success in the future (Yildirim, dkk 2016:286 & Teixeira, dkk 2018:23).

### LITERATURE REVIEW

#### Entrepreneurship education

According to Nabi, et.al (2017:18) Entrepreneurship education is a process of learning knowledge and skills in the field of entrepreneurship with the aim of helping students improve their abilities in the business field to achieve success. Entrepreneurship education equips students with skills, entrepreneurial values, and competence in entrepreneurship (Mitchelmore & Rowley, 2013:128). Entrepreneurship education requires interactive learning, practice-based learning, and business groups (Peterman & Kennedy, 2003:131).

Entrepreneurship education is very important to be taught in schools because it can encourage the growth of innovation and creativity and can equip students to develop their creativity (Mwasalwiba, 2010:39). Entrepreneurship education can encourage

changing generation to improve the economy quickly. Entrepreneurship education can increase the knowledge, motivation, and intention in entrepreneurship that students have to start a business.

Education and training can provide encouragement to produce better generation to have skills and abilities in the success of a business. The higher the level of entrepreneurship possessed by a country, the greater the level of growth and economic development. Entrepreneurship education has an effective impact on the formation of entrepreneurial attitudes and intentions. Entrepreneurship education can encourage students to increase their potential in entrepreneurship.

### **Entrepreneurial Intentions**

The development of entrepreneurial intentions has an important role in choosing a career. An individual tends to have a strong intention in starting a business and chooses to run his business process independently (Hmieleski & Corbett, 2006:49). Entrepreneurial intentions can exploit business opportunities by applying entrepreneurial learning, such as knowledge and skills. Intention is a person's determination to start up a business and an important factor for growing behaviour in entrepreneurship.

This entrepreneurial intention is the first step in a process of establishing a business which is generally long term. Intention could be definitely show how hard a person dares to try. Entrepreneurial intention is the most important thing considering the job of an entrepreneur is a job that requires a strong mentality and never give up. Entrepreneurial intentions lead individuals to the conception and implementation of a unique business concept. This intention arises from the individual's belief in carrying out the plan to set up a business (Thompson, 2009:687).

Entrepreneurship training and education can form entrepreneurial intentions for students to become entrepreneurs (Palalic, dkk, 2017:396). Intention from within a person or individual who wishes to perform a behaviour that can produce an activity that affects the future. The stronger one's intention in entrepreneurship, the greater the success achieved. A friend who is involved in entrepreneurship can encourage his friend to have knowledge about entrepreneurship and create entrepreneurial intentions (Falck, 2012:54).

### **METHODS**

This study was designed as quantitative research with explanatory descriptive nature because the researcher wanted to describe, analyse, and interpret data from research variables including entrepreneurship education and entrepreneurial intentions. As well as explaining the effect of quantitative results between research variables that have been formulated through hypothesis testing in sampling. Hypothesis testing in this study uses path analysis.

This research was conducted on VIII grade students of Islamic Junior High School Probolinggo who were studying entrepreneurship education subjects. The sample size in this study is based on the Slovin formula using an error rate of 5% totalling 168 students from a population of 290 students. The sampling technique in this study was using the proportional random sampling technique.

In this study, the researcher used a closed questionnaire that had provided alternative answers so that the respondents only had to choose the available answers. In addition, there is an open questionnaire to find out the opinion of the respondents. The measurement scale for this questionnaire uses a Likert scale with five alternative answers. Always given a score of 5, Often given a score of 4, Sometimes given a score of 3, Almost Never given a score of 2, and Never given a score of 1.

In this study, descriptive statistical analysis was used to describe entrepreneurship education and entrepreneurial intentions. Classical assumption test used is normality test and linearity test. Path analysis is used to calculate the magnitude of the direct effect of independent variables on a dependent variable. Path analysis is the application of multiple linear regression analysis that has been previously determined based on the theory (Ghozali, 2011:249)

### **RESULT AND DISCUSSIONS**

The description of the student entrepreneurship education variable shows that the answer options are sometimes, often, and always were the most chosen option, besides that the average respondent's answer from the 14 statement items is 3.08. It can be concluded that the entrepreneurship education of students was good. The description of the entrepreneurial intention of students shows that the answer options such as always, often, and sometimes were the most chosen option. The average number of students' answers from the 13 statement items was 3.69. It can be concluded that the entrepreneurial intention of students was good. In this study, it is known that the research data is normally distributed. In this study there is a linearity relationship between the dependent variable and the independent variable.

Based on the results of multiple linear regression analysis, the constant value is 2.676 and the entrepreneurship education variable is 0.137. Adjusted R Square of 0.727 indicates that the contribution of the influence of entrepreneurship education on entrepreneurial intentions. Based on the analysis of the influence of entrepreneurship education, on entrepreneurial intentions from the analysis can be obtained that the significance value of entrepreneurship education is  $0,004 < 0,05$ . So it can be concluded that there is a direct significant influence of entrepreneurship education on entrepreneurial intentions.

#### **The Effect of Entrepreneurship Education on Entrepreneurial Intentions**

The results of the analysis show that there is a direct significant effect of entrepreneurship education on the entrepreneurial intention of VIII grade students of Islamic Junior High School Probolinggo. This research results are in accordance with previous research conducted by Hamidi, D.Y, et al (2008) that entrepreneurship education has a positive and significant effect on entrepreneurial intentions.

In addition, this research is in accordance with the previous research held by Buana, Y, et al. (2017) which described that there was a positive and significant effect of entrepreneurship education on entrepreneurial intentions. This research is in accordance with previous research conducted by Sun, H, et al (2017) which showed that there was a positive and significant effect of entrepreneurship education on entrepreneurial intentions.

In this case, entrepreneurship education is important for students to learn as a provision in entrepreneurship. Entrepreneurship education taught at Islamic Junior High School Probolinggo includes learning material in class, learning outside the classroom, and hands-on practice. By studying entrepreneurship education subjects, students achieve some knowledge and skills that can be used to walk into the business world. Entrepreneurship education subjects can support students to innovate and be creative and develop their abilities which can be poured through the business that will be started.

Based on the students' open option answers, it is known that most students were like entrepreneurship education subjects. This is indicated by the answer that studying entrepreneurship education subjects can urge students to innovate and develop their creativity.

Through these entrepreneurship education subjects, students try to become entrepreneurs, for instance both making products and selling other people's products as second sellers where students sell these products directly or through sales on social media. The knowledge and skills acquired from studying entrepreneurship education subjects can influence students' intentions to become entrepreneurs.

## CONCLUSION AND SUGGESTION

### Conclusion

Based on the results of descriptive statistical analysis demonstrated that entrepreneurship education on entrepreneurial intentions is good. In accordance with the results of hypothesis testing, it indicated that there is a direct significant effect of entrepreneurship education on entrepreneurial intentions.

### Suggestion

This research findings can be used as input for the Islamic Junior High School Probolinggo and the Business and Management Education Study Program, Faculty of Economics, State University of Malang. For the Islamic Junior High School Probolinggo, it is hoped that teachers who teach entrepreneurship education can apply the learning models and methods that considered to improve students' creativity and innovation abilities as provisions for entrepreneurship. Into the bargain to being provided with knowledge, it is hoped that students will also be equipped with hands-on practice so that they will be ready to get into the business world.

For the Business and Management Education Study Program, Faculty of Economics, State University of Malang, it is expected to always provide development related to entrepreneurship education and supporting students who have entrepreneurial intentions by involving business activities inside and outside the university. Over and above for lecturers who teach especially in the field of entrepreneurship to grow and develop entrepreneurship education in order to increase students' intentions in entrepreneurship.

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Siti Komariyah  
Faculty of Economics  
Universitas Negeri Malang, Indonesia  
Email: [iraarik@gmail.com](mailto:iraarik@gmail.com)

Aniek Indrawati  
Faculty of Economics  
Universitas Negeri Malang, Indonesia