








The Influence of Locus of Control, Motivation, and Family Environment to Student Entrepreneurial Interest Based on West Java

Elvira Azis^{1*}, Ratih Hurriyati² , Bambang Widjajanta³ , Agus Rahayu⁴ , Lili Adi Wibowo⁵ , Heny Hendrayati⁶ , Ilham Araf⁷

¹⁻⁶Program Study Doctoral Management, Universitas Pendidikan Indonesia

^{1,7}School of Economics and Business Telkom University

elviraa@upi.edu

Abstract. The purpose of this study is to ascertain the impact of entrepreneurial interest. This study is a survey of university students in Bandung and West Java. The purposive sampling approach, a sample selection strategy where a person chooses a sample based on a personal judgment of some appropriate features of the sample members, was used to select 100 respondents from the sample of undergraduate students. The instrument has a good score on reliability and validity tests. The final score of the non-parametric test analysis defines that the data is correlated between a dependent variable and the independent variable. Because the score is less than 0,05 and the correlation coefficient is close to 1.00.

Keywords: Entrepreneurial Interest, Motivation, Family Environment

I. INTRODUCTION

The intricate and dynamic nature of entrepreneurship provides students with one-of-a-kind opportunities to acquire crucial skills and prepare for future success. Despite the value of traditional academic fields, entrepreneurship classes give students helpful life skills, including cooperation, time management, negotiating, and communication. Entrepreneurial creativity and mindset positively impact entrepreneurial spirit among undergraduate students (1). Every year, public and private universities give birth to young graduates who should improve the quality of human resources so that they can help the country's economy. Nevertheless, their potential has not been maximal, so they have difficulty getting a job. The solution to this problem is creating a work field or making new entrepreneurs. Entrepreneurs are the right choice to develop and assess their skills, resources, and risk tolerance before becoming an entrepreneur (2). At least, Entrepreneurship means providing employment for yourself and not depending on others.

To solve the challenges caused by the high unemployment rate, entrepreneurial interest must increase. It is thought that having an entrepreneurial interest will develop a more independent mindset and willingness to live better without depending on others(3). It is not easy to be interested in entrepreneurship. This is because there are differences in the thinking of individuals. Some have the desire and interest in entrepreneurship, but on the other hand, many choose to look for work rather than job creators(2). This is due to the low mentality of students to start entrepreneurship starting from their weakness in taking risks and limited existing capital(4). Youth confront difficulties starting and operating their firms due to a lack of entrepreneurship skills, education, experience, resources, networks, and family support (4). challenges from the enabler side include the absence of business incubators or locations for entrepreneurs to expand their operations and policy assistance from authorities/governments at all levels ((4).

II. LITERATURE REVIEW

A. Locus of Control

The locus of control theory states that attitudes and behaviour in conflict situations will be influenced by the characteristics of the locus of control, especially the internal locus of control, where the internal locus of control is a perspective that all results, good or bad, are due to actions that come from capacities and factors in themselves(5). The hallmark of the internal locus of control is that they believe an event is always within their control range and are likely to behave and act more ethically, objectively, and independently. Locus of control significantly affects entrepreneurial competency, and entrepreneurial competency mediates the relationship between locus of control and business and personal success(6). The effect of students' university environment, demand for achievement, and locus of control on their interest in entrepreneurship. The study results revealed that locus of control significantly influences students' motivation to start their businesses (7).

H1: It is suspected that locus of control influences entrepreneurial interest.

B. Motivation

Motivation is the process by which activities with a purpose are started and maintained. According to the expectancy-value theory, motivation results from expectations for success and the importance of the objective(8). Motivation is the accumulation of various motives that cause, maintain, and control a particular behaviour in a person. A motive is an underlying feeling that energizes, activates, or pushes conduct toward goals(9). Entrepreneurship requires self-efficacy and motivation since they influence business success, especially in micro and small food and beverage firms (10). In addition, motivation significantly enhances one's ambition to pursue entrepreneurship. (11)

H2: It is suspected that motivation influences entrepreneurial interest.

C. Family Environment

The situations and social climatic conditions within families are called the "family environment." It is the foundation of numerous associated aspects of academic achievement and the external support resource that guarantees teenagers' academic success(12). The family environment significantly positively affects students' entrepreneurship interests (13). Family environment can have pervasive effects on entrepreneurship, including cultural dimensions, gender issues, family business and succession, parental role models, entrepreneurship and self-employment, and family support for women entrepreneurs(14).

H3: It is suspected that the Family Environment influences entrepreneurial interest.

III. RESEARCH

This study's research type is descriptive and causal(15). The method used in this study is a quantitative method assisted by distributing questionnaires to 100 universities based in West Java. The data analysis technique used is a simple regression analysis technique used in the Software Package for the Social Science (SPSS) version 25, including validity test, reliability test, data analysis technique, MSI, classic assumption test, and hypotheses test of Spearman rho. This research uses a non-contrived setting, and the implementation time is used cross-sectional. Statistical software programs and surveys can be used to examine the effects of independent factors, such as entrepreneurship education, motivation, and self-efficacy, on the dependent variable of interest, such as entrepreneurial intention. In entrepreneurship research, the phenomenon driving the research must be carefully considered while choosing the dependent variables.

This research was conducted on four variables, that is, 3 Independent Variables and 1 Dependent Variable.

- A. Independent variable in this study, there are three independent variables, namely Locus of control, Motivation, Family Environment.
- B. Independent Dependent variable In this study, there is one dependent variable, Entrepreneurial Interest

IV. RESULT AND DISCUSSION

The discussion summarises the data processing outcomes, provides a logical interpretation of the results, and connects the findings to pertinent reference materials.

a. Validity Test and Reliability Test

All statement items on the locus of control, motivation and family environment variables are valid. This is evidenced by the $R\text{-count} > R\text{-table}$ (0.2578), meaning that each statement item on the respondent performance variable is valid and suitable for the research measuring tool.

b. Reliability test

All statement items on the locus of control, motivation and family environment variable are reliable by the Reliabilities coefficient (Cronbach Alpha) value greater than 0.6, meaning that each statement item is declared consistent in repeated measurements on the same object.

c. Descriptive Statistics

The result of the descriptive statistic is that we know that the minimum score of the statistics is 18, and the maximum score is 30 for all the 100 student respondents. The results for the means for each variable, that is, for the Locus of Control, is 26.70, motivation is 26.55, and Family Environment is 26.64.

a. Normality Test

From the table below, it can be concluded that the data distribution is not normal. Therefore, we used the

non-parametric test for the hypothesis test to determine the correlation and significance of each independent variable that influences the dependent variable.

Table 1. Normality Test

	Locus of Control	Motivation	Family Environment
N	100	100	100
Means	26.70	26.55	26.64
St. Deviation	3,694	3,748	3,700
Asymp. Sig (2-tailed)	.000c	.000c	.000c

b. Hypothesis Test

The Spearman test is part of non-parametric statistics (does not require assumptions of normality and linearity)(16). The aim is to find out the relationship between variables. The test is used to determine the correlation coefficients of each independent variable that influence the dependent variable and define its significance.

Table 2. Hypothesis Test

No	Variable	Entrepreneurial Interest Y (Correlation coefficient)	Entrepreneurial Interest Y Sig (2 -tailed)
1	Variable Locus of Control	0,912	0,00
2	Variable Motivation	0,911	0,00
3	Variable Environment Family	0,915	0,00

If the significance level is less than 0.05, then it is correlated, and if the Correlation Coefficient is almost 1.00, then the correlation is strong.

The locus of Control on Entrepreneurial Interest Correlation Coefficient value is almost 1.00 and has a significance level of less than 0.05, and H1: Locus of control has a positive and significant effect on Entrepreneurial Interest; thus, it can be concluded that hypothesis 1 is accepted. Internal and external locus of control have a favourable relationship with entrepreneurial intention, according to a study on the impact of locus of control on entrepreneurial intention in Ghana. However, compared to the internal locus of control, the external locus of control has a greater impact on entrepreneurial intention(17). According to an article on Alpha JWC Ventures, an individual's intention to maintain an entrepreneurial profession is strongly influenced by their internal locus of control(18).

Motivation for entrepreneurial Interest Correlation Coefficient value is almost 1.00 and has a significance level of less than 0,05, and H2: Motivation has a strong correlation coefficient and is significant to Entrepreneurial Interest. Thus, we can conclude that hypothesis 2 is accepted. From the viewpoint of positive psychology, a case study examines the entrepreneurial process's emotion, cognition, and behaviour. The study examines how entrepreneurs' emotions and behaviours vary during the entrepreneurship process using a variety of situations(19). In the setting of a transitional economy, the case study investigates the meaning of entrepreneurial motivation. The study explores the real-world circumstances of 135 entrepreneurs in China and analyzes the connection between entrepreneurial psychology and motivation (20). A case study examines students' entrepreneurial ambitions and motives at a vocational institution. The study examines personal traits, social networks, and institutional support and how these affect students' entrepreneurial inclinations(21).

Family Environment on Entrepreneurial Interest Correlation Coefficient value is almost 1.00 and has a significance level of less than 0,05, and H3: Family environment has a positive and significant effect on Entrepreneurial Interest. Thus, it can be concluded that hypothesis 3 is accepted. Family environment significantly impacts students' entrepreneurship interest, according to a study on the impact of entrepreneurship knowledge, entrepreneurship motivation, and entrepreneurship on students' interest in the Islamic education management program. According to the study, parental encouragement and

support can increase students' entrepreneurial interest (22). According to a systematic analysis of entrepreneurship and family roles, an individual's entrepreneurial ambition and desire can be favourably impacted by family support and encouragement. The study contends that a perspective on family embeddedness can aid in a better comprehension of the pervasive influences of family on entrepreneurship (23). Family environment has a strong beneficial impact on entrepreneurship motivation, according to a study on the effect of entrepreneurship education and family environment on entrepreneurship motivation in college students. According to the report, family support (24)

V. CONCLUSION AND SUGGESTION

A. Conclusion

1. The 3 Main factors presented are Locus of control, Motivation and Family Environment, which are the key to the assessment and determine the standard of measurement of student interest in entrepreneurship.
2. The best standard produced by this paper can be used as a reference for finding weak points or factors that cause a decrease in student interest in entrepreneurship.
3. This assessment standard is not an overall assessment because every human has uniqueness, and psychological factors can be the most influential.
4. This standard can be a reference for students to prepare themselves before going into the field of entrepreneurship, and for universities, it can be a reference for adding to the knowledge taught to students so that they are more interested in entrepreneurship.

B. Suggestions

1. Every student can always engage in entrepreneurship, but many external and internal factors prevent this opportunity from being taken.
2. Entrepreneurship knowledge provided by universities today is not sufficient to equip students to engage in entrepreneurship. For this reason, high enthusiasm and never giving up are needed to complement other entrepreneurship knowledge that cannot be obtained from universities.

C. REFERENCE

1. Indriyani R, Cindy Darmawan R, Gougui A. Entrepreneurial Spirit Among University Students in Indonesia. SHS Web of Conferences. 2020 Apr 29;76:01042.
2. Shepherd DA, Williams TA, Patzelt H. Thinking About Entrepreneurial Decision Making. *J Manage.* 2015 Jan 14;41(1):11–46.
3. Thurik AR, Audretsch DB, Block JH, Burke A, Carree MA, Dejardin M, et al. The impact of entrepreneurship research on other academic fields. *Small Business Economics.* 2023 May 22;
4. Incubating Indonesia's Young Entrepreneurs: Manila, Philippines; 2021 Dec.
5. Findley MJ, Cooper HM. Locus of control and academic achievement: A literature review. *J Pers Soc Psychol.* 1983 Feb;44(2):419–27.
6. Hamzah MI, Othman AK. How do locus of control influence business and personal success? The mediating effects of entrepreneurial competency. *Front Psychol.* 2023 Jan 5;13.
7. Zulfikar A, Satrya A. The Role of Internal Locus of Control, Subjective Norms, Entrepreneurial Self-Efficacy and Attitude toward Entrepreneurship on Entrepreneurial Intention – A Study of Former Migrant Workers in Indonesia. In: *Proceedings of the 3rd Borobudur International Symposium on Humanities and Social Science 2021 (BIS-HSS 2021)*. Paris: Atlantis Press SARL; 2023. p. 228–33.
8. Cook DA, Artino AR. Motivation to learn: an overview of contemporary theories. *Med Educ.* 2016 Oct 15;50(10):997–1014.
9. Fuchs A. Motivation. In: *Encyclopedia of Public Health*. Dordrecht: Springer Netherlands; 2008. p. 967–9.
10. Srimulyani VA, Hermanto YB. Impact of Entrepreneurial Self-Efficacy and Entrepreneurial Motivation on Micro and Small Business Success for Food and Beverage Sector in East Java, Indonesia. *Economies.* 2021 Dec 30;10(1):10.
11. Purwana D, Suhud U. Investigating the effect of motivation on entrepreneurial intention: three different approaches. *Problems and Perspectives in Management.* 2018 May 22;16(2):200–8.
12. Zhao L, Zhao W. Impacts of family environment on adolescents' academic achievement: The role of peer interaction quality and educational expectation gap. *Front Psychol.* 2022 Sep 12;13.
13. Siregar ZA, Marwan. The Influence of Family Environment, Entrepreneurship Knowledge and Entrepreneurship Motivation on Students' Entrepreneurship Interest of Islamic Education Management

- Program of Universitas Islam Negeri Sumatera Utara. In: Proceedings of the 4th Padang International Conference on Education, Economics, Business and Accounting (PICEEBA-2 2019). Paris, France: Atlantis Press; 2020.
14. Cardella GM, Hernández-Sánchez BR, Sánchez García JC. Entrepreneurship and Family Role: A Systematic Review of a Growing Research. *Front Psychol.* 2020 Jan 10;10.
 15. Zikmund WG, BJ, CJ& GM. *Business Research Methods: with Qualtrics Printed Access Card.* Cengage Learning; 2012.
 16. Nahm FS. Non-parametric statistical tests for the continuous data: the basic concept and the practical use. *Korean J Anesthesiol.* 2016;69(1):8.
 17. Arkorful H, Hilton SK. Locus of control and entrepreneurial intention: a study in a developing economy. *Journal of Economic and Administrative Sciences.* 2022 Apr 20;38(2):333–44.
 18. Hamzah MI, Othman AK. How do locus of control influence business and personal success? The mediating effects of entrepreneurial competency. *Front Psychol.* 2023 Jan 5;13.
 19. Su X, Liu S, Zhang S, Liu L. To Be Happy: A Case Study of Entrepreneurial Motivation and Entrepreneurial Process from the Perspective of Positive Psychology. *Sustainability.* 2020 Jan 13;12(2):584.
 20. Shi B, Wang T. Analysis of Entrepreneurial Motivation on Entrepreneurial Psychology in the Context of Transition Economy. *Front Psychol.* 2021 Aug 11;12.
 21. Thi Kim Le T, Thi Tran B. Entrepreneurial Motivations and Intentions among Students: A Case Study at a Vocational Institution. In: 2021 7th International Conference on Education and Training Technologies. New York, NY, USA: ACM; 2021. p. 158–63.
 22. Siregar ZA, Marwan. The Influence of Family Environment, Entrepreneurship Knowledge and Entrepreneurship Motivation on Students' Entrepreneurship Interest of Islamic Education Management Program of Universitas Islam Negeri Sumatera Utara. In: Proceedings of the 4th Padang International Conference on Education, Economics, Business and Accounting (PICEEBA-2 2019). Paris, France: Atlantis Press; 2020.
 23. Cardella GM, Hernández-Sánchez BR, Sánchez García JC. Entrepreneurship and Family Role: A Systematic Review of a Growing Research. *Front Psychol.* 2020 Jan 10;10.
 24. Nuralmasari A, Kristiani N. The Impact of Entrepreneurship Education and Family Environment: On Entrepreneurship Motivation of College Students. In: Proceedings of the 7th International Conference on Entrepreneurship and Business Management. SCITEPRESS - Science and Technology Publications; 2018. p. 302–7.

Open Access This chapter is licensed under the terms of the Creative Commons Attribution-NonCommercial 4.0 International License (<http://creativecommons.org/licenses/by-nc/4.0/>), which permits any noncommercial use, sharing, adaptation, distribution and reproduction in any medium or format, as long as you give appropriate credit to the original author(s) and the source, provide a link to the Creative Commons license and indicate if changes were made.

The images or other third party material in this chapter are included in the chapter's Creative Commons license, unless indicated otherwise in a credit line to the material. If material is not included in the chapter's Creative Commons license and your intended use is not permitted by statutory regulation or exceeds the permitted use, you will need to obtain permission directly from the copyright holder.

