The Role of Entrepreneurial Characteristic on Entrepreneurial Intention

Keywords: Entrepreneurial characteristic, entrepreneurial intention, start-up business.

Abstract. The Theory of Planned Behaviour put forward by Ajzen says that to influence entrepreneurial intentions, there are several factors, namely attitudes towards entrepreneurship, subjective norms, and perceived behavioural control. This study aims to analyse how the influence of entrepreneurial characteristics influences entrepreneurial intention. Derivative entrepreneurial characteristics include sociability, planning, leadership, innovation, and risk-taking. The sample of this study were Business School Students at Universitas Ciputra in Surabaya who had taken Entrepreneurship courses up to semester 6 of 190 respondents. The data that has been collected is processed using SEM-PLS. This study concludes that not all elements in entrepreneurial characteristics significantly influence students' entrepreneurial intentions. This is because many students still need clarification about planning the career path they will take in the future.

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INTRODUCTION

In the concept of entrepreneurship, it is necessary to pay attention to the factors that will become the success of entrepreneurship. Entrepreneurial behaviour can arise when individuals have entrepreneurial intentions. In the Theory of Planned Behaviour, Ajzen (1991) says that to influence entrepreneurial intentions, there are several factors: attitudes toward entrepreneurship, subjective norms, and perceived behavioural control.

Several determining factors can be successful in entrepreneurial intentions (Oktavio et al., 2023), one of which is an individual's character (Iizuka et al., 2022). Individuals who have characteristics such as being able to socialize well, being able to make careful plans, being able to lead a team, having creative and innovative traits, and being able to make risky decisions are the characteristics needed when wanting to become an entrepreneur. Self-efficacy is another factor that can support someone when they want to become an entrepreneur.

Universitas Ciputra Surabaya is one of the private tertiary universities that applies entrepreneurship or entrepreneurship courses in Indonesia. This University provides entrepreneurship learning to students from semester one to semester six. In addition, students are also given lessons about real business life to find out what things are needed when becoming an entrepreneur so that it is hoped that Universitas Ciputra Surabaya students will know how to have good character when becoming an entrepreneur and be able to apply these characters so they can become a superior entrepreneur. Several references from previous researchers have been carried out on students majoring in IBM (International Business Management Major) at Universitas Ciputra Surabaya.

Research from Abdi et al. (2021) states that entrepreneurial characteristics do not influence entrepreneurial intention. Furthermore, Saptadjaya & Gunawan (2020) found that various variables, including age, gender, nature, personality, self-control, self-efficacy, entrepreneurship education, and religion, impact one's entrepreneurial ambitions.

Based on the gap above, this study aims to analyse the effect of entrepreneurial characteristics on entrepreneurial intention. The theory of Planned Behaviour is used in this study as a theoretical basis because TPB is often used for research on human behaviour (Ajzen, 1991). The theory of Planned Behaviour is often used to describe individual goals, which then explain their behaviour (Fathiyannida & Erawati, 2021).

LITERATURE REVIEW

The Theory of Planned Behaviour (TPB) is a theory that developed from the Theory of Rational Action. TPB is often used for human behaviour research. TPB assumes that every human behaviour is carried out consciously by examining various available information (Ajzen, 1991). The theory of Planned Behaviour is often used to describe individual goals, which then explain their behaviour (Fathiyannida & Erawati, 2021). According to Ajzen (1991), the Theory of Planned Behaviour is a theory that describes the difficulties that cause a person to choose specific actions so that TPB can explain a person's behaviour in the business industry (Fathiyannida & Erawati, 2021). The theory of Planned Behaviour is a theory that makes sense to describe the behaviour of someone who must plan, such as an entrepreneur (Fathiyannida & Erawati, 2021). Based on the Theory of Planned Behaviour, several variables influence individual intentions or intentions to do something (Ajzen, 1991), namely: Attitude toward the behaviour, Subjective norms, and Perceived behavioural control.
Entrepreneurial characteristic

Bahri & Arda (2019) argues that entrepreneurial characteristics are human character and talent, which are entrepreneurial competencies needed for success. Entrepreneurial characteristics are individual characteristics that can open business opportunities that will benefit the community's economy. So that an entrepreneur can quickly build and advance his company with superior entrepreneurial qualities and optimal entrepreneurial literacy (Yani et al., 2020). To succeed as an entrepreneur, one must have entrepreneurial qualities because when one has an entrepreneurial character, the business is likely to run well and according to plan (Hayati, 2022; Bernardus et al., 2023). This statement is reinforced by Nuhlasita & Wulandari (2022), who show that entrepreneurial characteristics influence entrepreneurial intention and conclude that entrepreneurial characteristics have a positive and significant influence on entrepreneurial intentions.

Sociability Element

According to Ambad (2022), social entrepreneurship is vital in reducing unemployment and poverty and improving social and environmental problems. Social skills are acquired during the learning process, not acquired from birth (Setiawan et al., 2019). According to Setiawan et al. (2019), personal intelligence in self-control, self-confidence, discipline, and responsibility must underlie social abilities. This aligns with research from Iizuka et al. (2022), who studied the effect of the relationship between sociability and entrepreneurial intention among students in Brazil and concluded that the two are positively and significantly related. The hypothesis put forward is as follows:

H1: Sociability influences entrepreneurial intention

Planning Element

Planning is a strategy made by someone to achieve motivational goals as soon as possible (Priyambudi & Azis, 2022). Maxwell & Agustin (2022) revealed that planning for entrepreneurship can be said of how graduate students prepare or have plans to become entrepreneurs. According to Iizuka et al. (2022), planning is the ability to organize and prepare oneself to achieve goals in the future. This is reinforced by research from Iizuka et al. (2022), which examined the effect of planning on entrepreneurial intention in Brazil and concluded that planning positively and significantly influences entrepreneurial intention in students in several developing countries. Thus, the hypothesis can be put forward:

H2: Planning influences entrepreneurial intention.

Leadership Element

Leadership or leadership spirit is a characteristic of someone who can manage an individual or a group of individuals (Suebuddin, 2021). The ability to influence the behaviour of individuals or groups of individuals to achieve specific goals in a pleasant work environment effectively is referred to as leadership ability (Asih Moelyani et al., 2021). Entrepreneurs need leadership skills to persuade, mobilize and inspire others to support their cause happily. Research from Iizuka et al. (2022) examined the effect of leadership on entrepreneurial intention in Brazil and concluded that leadership positively and significantly influences entrepreneurial intention in Brazil's students. Thus, the hypothesis that can be proposed is as follows:

H3: Leadership influences entrepreneurial intention
Innovation Element

Innovation is a person's ability to translate opportunities into thoughts or ideas that can be sold (Wardani & Dewi, 2021). According to Bernardus et al. (2019) and Iizuka et al. (2022), innovation is the ability to connect ideas, facts, market needs, and demands in a creative way. When there is innovation, the drive to succeed will be increasingly expected. This is reinforced by research from Bernardus et al. (2020) and Iizuka et al. (2022), which concluded that innovation positively and significantly influences entrepreneurial intention in students in several developing countries. Thus, the hypothesis that can be proposed is as follows:

H4: Innovation influences entrepreneurial intention

Take risks Element

Iizuka et al. (2022) revealed that taking risks is the ability to deal with personal projects, connect, and analyze variables that can affect the results. Research conducted by Bernardus et al. (2019) and Nathasia & Rodhiah (2020) revealed that the greater the perceived risk, the more excellent the opportunity to gain. So risk-taking must be calculated first before making decisions in the business world. This statement is reinforced by research from Iizuka et al. (2022), which examined the effect of taking risks on entrepreneurial intention in students in Brazil and concluded that taking risks has a positive and significant influence on entrepreneurial intentions in students in Brazil. Thus, the hypothesis that can be proposed is as follows:

H5: Taking risks affects entrepreneurial intention.

METHOD

This research determines that the non-probability sampling technique with purposive sampling will be used in this study. The number of samples used in this study were 190 respondents from Business School Students, Universitas Ciputra in Surabaya, with the sample criteria in this study being (1) Active
Business School Students class of 2019, (2) Entrepreneurship Course curriculum series up to semester 6. Primary data in this research was obtained through the distribution of electronic questionnaires using online questionnaires. Each variable was measured using a seven-point Likert scale with point values of (1) strongly disagree, (2) disagree, (3) moderately disagree, (4) neutral, (5) entirely agree, (6) agree, (7) strongly agree.

Data from respondents will be analysed using descriptive statistics, including descriptions of the variables and their indicators. Inferential statistics test research hypotheses and become the basis for achieving research results (Junaidi, 2021). This study utilizes multivariate statistics, namely the Structural Equation Model - Partial Least Square (SEM-PLS).

RESULTS AND DISCUSSION

Respondent Profile

The characteristics of respondents based on domicile came from Denpasar Bali, Blora, Jember, Sumenep, Pacitan, Manado, Sidoarjo, Surabaya, Madura, and Lamongan. The sex of the respondents was dominated by male sex with a total of 112 respondents with a percentage of 58.9% and 78 women with a percentage of 41.1%.

Confirmatory Factor Analysis

The measured (observed) values for the questions obtained from the respondents are the measured variables of the model used as indicators of each latent construct (factor). Table 1 describes the criteria results using Partial Least Square involving composite variables on indicators, validity, and reliability tests using product moment and Cronbach alpha. Meanwhile, latent variables were tested for validity and reliability through CFA for each latent variable. Based on Table 1. All indicators on variables have a value greater than 0.5, which means that these indicators are valid in measuring latent variables. The reliability of the above latent constructs was checked according to Hair et al. (2005) by calculating Cronbach's alpha coefficient, which is higher than 0.7 (Table 2). Confirmatory factor analysis evaluated convergent validity (factor loading > 0.5, average variance extracted > 0.5, composite reliability > 0.7). The results of testing the model obtained the R-square value, which describes the model's goodness. The expected r-square value is greater than zero.

Table 1. Confirmatory factor analysis

<table>
<thead>
<tr>
<th>Variable (X1)</th>
<th>Indicator</th>
<th>Factor loading</th>
</tr>
</thead>
<tbody>
<tr>
<td>Sociability</td>
<td>X1.1</td>
<td>0.742</td>
</tr>
<tr>
<td></td>
<td>X1.2</td>
<td>0.759</td>
</tr>
<tr>
<td></td>
<td>X1.3</td>
<td>0.726</td>
</tr>
<tr>
<td></td>
<td>X1.4</td>
<td>0.682</td>
</tr>
<tr>
<td></td>
<td>X1.5</td>
<td>0.699</td>
</tr>
<tr>
<td></td>
<td>X1.6</td>
<td>0.713</td>
</tr>
<tr>
<td></td>
<td>X1.7</td>
<td>0.723</td>
</tr>
<tr>
<td></td>
<td>X1.8</td>
<td>0.667</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Planning (X2)</th>
<th>Indicator</th>
<th>Factor loading</th>
</tr>
</thead>
<tbody>
<tr>
<td>X2.1</td>
<td>Make a plan before doing something.</td>
<td>0.744</td>
</tr>
<tr>
<td>X2.2</td>
<td>Carry out planned activities.</td>
<td>0.783</td>
</tr>
<tr>
<td>X2.3</td>
<td>Learned something that I did not know before.</td>
<td>0.633</td>
</tr>
<tr>
<td>X2.4</td>
<td>They are motivated when you want to do something.</td>
<td>0.781</td>
</tr>
<tr>
<td>X2.5</td>
<td>We are looking for new information about the world of entrepreneurship.</td>
<td>0.729</td>
</tr>
</tbody>
</table>
Figure 2. Outer Model Results

Table 2. Model reliability and Validity

<table>
<thead>
<tr>
<th>Latent construct</th>
<th>Cronbach’s alpha</th>
<th>Average variance extracted</th>
<th>Composite reliability</th>
<th>R Square</th>
<th>Q2</th>
</tr>
</thead>
<tbody>
<tr>
<td>X1</td>
<td>0.863</td>
<td>0.893</td>
<td>0.511</td>
<td></td>
<td></td>
</tr>
<tr>
<td>X2</td>
<td>0.786</td>
<td>0.855</td>
<td>0.542</td>
<td></td>
<td></td>
</tr>
<tr>
<td>X3</td>
<td>0.795</td>
<td>0.859</td>
<td>0.551</td>
<td></td>
<td></td>
</tr>
<tr>
<td>X4</td>
<td>0.675</td>
<td>0.786</td>
<td>0.663</td>
<td></td>
<td></td>
</tr>
<tr>
<td>X5</td>
<td>0.778</td>
<td>0.893</td>
<td>0.511</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
The measurements of the inner model that fit the Q Square calculation results from Table 2 are obtained using the following formulation:

$$Q^2 = 1 - (1 - 0.665) = 0.665$$

The calculation results above can be interpreted as the model is 66.5% and 33.5% explained by other variables.

![Figure 3. Inner Model Results](image)

**Table 3. Hypothesis Testing**

<table>
<thead>
<tr>
<th>Research Hypothesis</th>
<th>Description</th>
<th>T Statistics</th>
<th>P Value</th>
<th>Information</th>
</tr>
</thead>
<tbody>
<tr>
<td>H1</td>
<td><strong>Sociability</strong> (X1) → <strong>Entrepreneurial intention</strong> (Y)</td>
<td>1.466</td>
<td>0.143</td>
<td>Unsupported</td>
</tr>
<tr>
<td>H2</td>
<td><strong>Planning</strong> (X2) → <strong>Entrepreneurial intention</strong> (Y)</td>
<td>2.485</td>
<td>0.013</td>
<td>Supported</td>
</tr>
<tr>
<td>H3</td>
<td><strong>Leadership</strong> (X3) → <strong>Entrepreneurial intention</strong> (Y)</td>
<td>0.015</td>
<td>0.988</td>
<td>Unsupported</td>
</tr>
<tr>
<td>H4</td>
<td><strong>Innovation</strong> (X4) → <strong>Entrepreneurial intention</strong> (Y)</td>
<td>0.210</td>
<td>0.833</td>
<td>Unsupported</td>
</tr>
<tr>
<td>H5</td>
<td><strong>Take Risk</strong> (X5) → <strong>Entrepreneurial intention</strong> (Y)</td>
<td>5.390</td>
<td>0.000</td>
<td>Supported</td>
</tr>
</tbody>
</table>

**Discussion**

The first hypothesis of this study proves that sociability does not affect entrepreneurial intention. This aligns with research from Usman et al. (2022), where sociability does not affect entrepreneurial
intentions in students in developing countries. This is also reinforced by research from Baluku et al. (2019) that sociability weakly influences entrepreneurial intention. This condition can occur because students often participate in organizational activities, SMEs, and other committees that create a soul of social skills in each of them. Grow. When the spirit of social skills grows, it can start positive interactions with people in the environment; this can encourage positive relationships but does not focus on creating a business, such as being a business partner.

The second hypothesis of this study proves that planning influences entrepreneurial intention. This differs from the results of research from Sitompul et al. (2022), which found that planning influences entrepreneurial intention. There are several reasons why planning influences entrepreneurial intention. This reason is that even though students are motivated when doing an activity, many of these students still like to learn something they do not know. So many students still learn new things in order to get a lot of broad insights.

The third hypothesis of this study proves that leadership does not affect entrepreneurial intention. This is different from (Iizuka et al., 2022), who found that leadership positively and significantly influences students' entrepreneurial intentions in Brazil. There are several reasons why leadership does not affect entrepreneurial intention. The reason is that students can work together in teams but still do not dare to be a leader in a team, even though an entrepreneur must have a leadership spirit, which is one of the essential things to be able to lead his own business venture.

The fourth hypothesis of this study proves that innovation does not affect entrepreneurial intention. This is different from the results of research by (Iizuka et al., 2022), which found that innovation has a positive and significant influence on student's entrepreneurial intention in developing countries. There are several reasons why innovation does not affect entrepreneurial intention. This is because students can develop ideas into a business or an old product into a new one. This proves that students have many ideas to create new advantages that still need to be created, but they are still unable to develop these ideas to become a business or old products to become new. Teofilus et al. (2020) revealed that innovation is an understanding of entrepreneurship that is believed to provide a competitive advantage in the market that will be or is being faced.

This is different from the results of research by (Iizuka et al., 2022), which found that taking risks positively and significantly influences the entrepreneurial intention of students in Brazil. This is also reinforced by (Hermawan & Fitria, 2020), who concluded that taking risks positively and significantly influences entrepreneurial intention. There are several reasons why taking risks does not affect entrepreneurial intention. The reason is that students still need to be brave enough to make decisions that will bear the risks they will face. Students often fear having their own businesses because they fear the risk of failure. Even so, according to Nathasia & Rodhiah (2020), when someone takes a high risk, the chances of getting a profit will also be higher. Hongdiyanto et al. (2020) said that opening a new business is not easy, some have succeeded, and some have failed. One of the reasons why people are afraid to have their own business is the fear of making risky decisions. Because according to Teofilus et al. (2020), taking risks is not only the willingness to take risks but also the ability of the organization to minimize potential risks.

CONCLUSION

Thus, not all elements of entrepreneurial characteristics significantly influence students' entrepreneurial intentions. This is because many students still need clarification about planning the career path they will take in the future. Most students still need to start their careers to become an
entrepreneur. Students still must dare to decide about future risks when becoming an entrepreneur. Even though students have business ideas that can be used as business opportunities, they still do not intend to become entrepreneurs because they must be ready for this.

However, some students have entrepreneurial intentions; this is caused by their social network that supports entrepreneurship. A supportive social network will make it easier for students to start their businesses. Students will be accessible in entrepreneurial processes because they will get motivation and encouragement from this positive environment. In addition, when students have high self-efficacy, they can increase their self-confidence to carry out entrepreneurial intentions.

REFERENCE


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