

The Entrepreneurial Behavior and Practical Industrial Work Experience as the Determinant Factor of Entrepreneurial Intention

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Abstract: Generally speaking, competent workers and entrepreneur ready graduate are the challenges in the education system, especially for Vocational High School. This paper aimed to reveal the entrepreneurial behavior and industrial work practice experience as the determinant factor of entrepreneurial intentions of Vocational High School 2 in Singkawang City. This research employed descriptive method in the form of correlation research study with 44 graduate students as sample of this research. Results revealed that in fact, (1) the entrepreneurial behavior factor is significantly and positively influences the entrepreneurial intention, (2) the factor of industrial work practice experience is significantly and positively influences the entrepreneurial intention, and (3) the entrepreneurial behavior and the experience of industrial work practice are both significantly and positively influence the entrepreneurial intention. Considering the foregoing results, it is demanding for Vocational High School to improve their quality in to create professional competency for employment market.

1 INTRODUCTION

One economic development can be determined by the entrepreneurship. In this globalization era, the entrepreneurial behavior is expected to exist. The entrepreneurial behavior refers to every individual response towards risk in conducting business and their courage in facing the challenge of the entrepreneurship world. The theory of planned behavior by Icek Azjen (in Srigustini, 2014) expressed that the intention is influenced by the attitude as the form of both positive and negative trust of someone towards a behavior and subjective norm. According to this statement, the entrepreneurial behavior is a foundation in the creation of entrepreneurial intentions.

According to Wibowo (2011:110), the intermediate education, particularly vocational high school is performing professional skills education that combines educational and entrepreneurship program at the school in systematic and synchronized approach towards practical work in a business sector in order to create professional worker/labor. For these reasons, in recent decades, the Vocational High School students who are being educated need to be put into a perception that the graduates should conceive entrepreneurial behavior besides their opportunities to work in the business

and industrial world. However, in fact, graduate students from vocational high school in Indonesia is less keen on becoming successful entrepreneur. Majority of them, consequently, are becoming jobless.

Entrepreneurial behavior is one of the major areas of entrepreneurship research. Lately, Daim et al. (2016) carried out previous research on the entrepreneurial intentions of students in terms of genders and country of residence differences. The paper explores perceived feasibility and desirability for students in 10 countries. In fact, the results indicate that gender impacts entrepreneurship intention and the way it impacts is influenced by which country the students are from (Daim et al. 2016). Meanwhile, this research aims to reveal the entrepreneurial behavior of the students from West Kalimantan, where the city is near border area of Serawak, Malaysia. It is expected that they will have a very good potential for successful enterprise.

Another related study was from Pakpahan (2013), providing insight into practical industrial work experience. The results confirmed that there is a positive relation between practical industrial work experience and entrepreneurial intention of the eleventh grade students in Motorcycle Engineering Program of SMK Persatuan Amal Bakti (PAB) 6 Medan Estate in the academic year of 2012/2013. By

contrast to this, the researcher purposely chose graduate students as the subject of research based on the consideration that they are a ready-used graduates that are expected to utilize their practical industrial work experience. The distinction also toward the review of literature and with the difference variables.

All in all, taking up those points, this paper aims to explore on how the entrepreneurial behavior and industrial work practice experience as the determinant factor of entrepreneurial intentions of Vocational High School 2 in Singkawang City. Thus, the following research questions are postulated: (1) Is there any influence of entrepreneurial behavior towards the entrepreneurial intentions of Vocational High School 2 Singkawang City graduates? (2) Is there any influence of industrial work practice experience towards the entrepreneurial intentions of Vocational High School 2 Singkawang City graduates? (3) Is there any mutual influence of entrepreneurial behavior and industrial work practice experience towards the entrepreneurial intentions of Vocational High School 2 Singkawang City graduates?

2 LITERATURE REVIEW

2.1 Entrepreneur Intention

For as long as has been discussed in the entrepreneurship literature, many studies have focused on intentions (Bird, 1988; Krueger et al, 2000). The intention as the tendency of desire creates and utilizes the existing opportunity by optimizing the available resources. According to Winkel (1996:30) "intention is the tendency that lives in the subject, to feel an interest towards a certain thing/sector as well as felt delighted to be involved in that sector". Basically, the entrepreneurial intention is a will or a feeling of someone interest in conducting the business activity and the willingness to work hard or being adamant without fear towards the risk that would be faced.

Pintrich and Schunk (2002) sounded the same, stating that the entrepreneurial intention is (a) General attitude towards the activity. The like or dislike feelings, agree or disagree, with the general activity towards positive trait or favoring activity. (b) Specific conscious for or living the activity, which is the awareness to decide an activity or object. (c) Enjoyment of the activity is the delight feeling towards the interesting activity. (d) Personal importance or significance of the activity to the

individual. (e) Intrinsic interest in the content of the activity, which is the intrinsic intention towards the content of the activity with the flow of delightful emotion. (f) Reported choice of or participant in the activity, which is the individual that choose or participate in the activity.

Speaking in further, Harun and Ramayah (2005:28) expressed that the individual intention to become entrepreneur can be known from the decision, the interest, the delighting, and the courage in risk taking.

By referring to the explanation above, the entrepreneurial intention is (a) The will to become an entrepreneur, (b) The interest in entrepreneurship, (c) The tendency to run business/entrepreneurship activity, (d) Contain high curiosity regarding entrepreneurship world, (e) Delight in conducting entrepreneurship activity, and (f) Being adamant to conduct entrepreneurship activity. The factors that influence entrepreneurial activity according to Suryana (2011) in outline are grouped into intrinsic and extrinsic factor. The intrinsic factors include income, prestige, and pleasure feeling. The extrinsic factors include family environment, community environment, opportunity, and knowledge/education.

2.2 Entrepreneurial Behavior

The entrepreneurial behavior is the determinant factor of entrepreneurial intention. Wijaya (2008:97) expressed that "Behavior is based on the interest towards business opportunity, positive perspective towards business failure, eager to taking the risk, and challenge". Wijaya (2008:95) boldly added that "Behavior is the foundation to produce the intention". The entrepreneurial behavior is the will of someone to move forward and dare to take the risk in business sector in order to fulfill their needs independently, which is influencing the high and low intention towards entrepreneurship.

2.3 The Industrial Work Practice Experience

The education/knowledge acquired through industrial work practice gives the experience towards students that in further grows their intention in entrepreneurship. According to The Department of Education and Culture (2005:112); industrial work practice is the part of a dual educational system, defined as the form of the educational process of professional skill that combines educational and entrepreneurship program at the school in systematic and synchronized approach

towards practical work in the business sector in order to achieve certain competency level. According to Wena (1996:61), the students experience that has been conducting industrial work practice can be measured through: (a) the accuracy of student in mastering a particular skill, (b) the student work swiftness in conducting an assignment/time efficiency, (c) the quantity and quality of students' work results, (d) learning shift level, and (e) the compatibility in conducting work with procedures or according to the instruction from the work supervisor.

By that means, industrial work practice is the form of training and education that provide experience from the industry or workplace intentionally to equip the graduates with knowledge and skills in accordance with that entrepreneurship world.

2.4 Theoretical Framework

Entrepreneurial intention and practical industrial work experience are core to achieve successful in entrepreneurship. Entrepreneurial intention is defined as the willingness in undertaking actions or activities, and cope with the existing opportunity on the available resources. Therefore, entrepreneurial behavior is the very beginning step to take into account in becoming successful entrepreneur. In line with this matter, practical industrial work experience is also considered as an underpinning to gain entrepreneurial intention. Industrial work practice experience is a part of dual educational system, in which educational and entrepreneurship program are combined together.

From the aforementioned theories, it is clearly seen that to become an entrepreneur, one needs to have entrepreneurial behavior and practical industrial work experience. Therefore, this research aims to reveal how are the entrepreneurial behavior and industrial work practice experience as the determinant factor of entrepreneurial intentions of Vocational High School 2 in Singkawang City.

3 METHODS

This study was carried out using descriptive method in the form of correlation research study. The place of research is Vocational School 2 Singkawang City. The amount of sample was taken with the formulation of Isaac & Michael (Sugiyono, 2014:128). The proportional random sampling method is used for each class with 44 students.

Regarding the technique and data collection tools, the researcher used indirect communication with a questionnaire, direct communication through interview guideline, and documentary study technique with the notebook. Hypothesis is formulated and tested using multiple regression analysis. The steps of analyzing the data were normality test, multicollinearity test, hypothesis test, multiple regression analysis, coefficient of correlation, and coefficient of determination. Then, the data was analyzed by using the 16 Version of SPSS software.

4 RESULTS AND DISCUSSION

4.1 Research Finding

Based on the data analysis result and hypothesis test, it can be known that: (a) the entrepreneurial behavior is significantly and positively influences the entrepreneurial intention of graduated students of Vocational High School 2 Singkawang. The influence strength is showed by the 23.72% value of determination coefficient. (b) The industrial work practice is significantly and positively influences the entrepreneurial intention of Singkawang City 2 Vocational High School graduates. The strength of the correlation is showed by the 66.26% value of determination coefficient. (c) The entrepreneurial behavior and the experience of industrial work practice are both significantly and positively influence the entrepreneurial intention of Vocational High School graduates. The influence strength is showed by the 75.86% value of determination coefficient.

4.2 Research Discussion

4.2.1 The entrepreneurial behavior factor has an influence towards the entrepreneurial intention.

The entrepreneurial behavior is significantly and positively influences the entrepreneurial intention of Vocational High School 2 Singkawang graduates. The influence strength is showed by the 23.72% value of determination coefficient. This condition shows that the entrepreneurial behavior conceives the important role for Vocational High School students. In line with the opinion of Wijaya (2008:95) which stated that "The behavior is the foundation to produce the intention". In that order,

the entrepreneurial behavior could affect entrepreneurial intention. The students who own high entrepreneurial behavior level will emerge the high entrepreneurial intention level as well and for the opposite, the students who own low entrepreneurial behavior level will result in the low entrepreneurial intention level. This research is in line with the research of Wijaya (2008) which explained that the behavior variable directly influences the entrepreneurial intention.

4.2.2 The industrial work practice experience has an influence towards the entrepreneurial intention.

The industrial work practice experience is significantly and positively influences the entrepreneurial intention of Vocational High School 2 graduates in Singkawang City. The strength of the correlation is showed by the 66.26% value of determination coefficient. This condition shows that the industrial work practice experience conceives the important role for Vocational High School students. The students who own high industrial work practice experience level will emerge the high entrepreneurial intention level as well and for the opposite, the students who own low industrial work practice experience level will result in the low entrepreneurial intention level. The industrial work practice or entrepreneurship is the effort of the educational institution to conduct learning activity that being directed towards the development of soft skill and professional competency for the need of job market outside the main school activity. Theoretically, the dual educational system is a professional skills education that systematically combines the educational program at the school with the skills development that acquired through working in directed business sector to achieve certain professional competency.

Therefore, the industrial work practice is having a high influence towards the high and low level of graduate student entrepreneurial intention. This condition is caused by the valuable experience acquired by the students while conducting industrial work practice that enhancing their intention in entrepreneurship.

4.2.3 The factor of entrepreneurial behavior and the experience of industrial work practice are having influence towards the entrepreneurial intention.

The entrepreneurial behavior and the experience of industrial work practice are both significantly and positively influence the entrepreneurial intention of graduated students of Vocational High School 2 Singkawang. The influence strength is showed by the 75.86% value of determination coefficient. Thus, if the students conceive the entrepreneurial behavior followed by the high industrial work practice experience, the entrepreneurial intention would be high as well. In the opposite, if the students conceive the entrepreneurial behavior followed by the low industrial work practice experience, the entrepreneurial intention would be low as well. This condition shows the importance of high entrepreneurial behavior and industrial work practice that should be existed as the addition value towards the enhancement of professional skills competency. The entrepreneurial intention always related to its influencing factors. Aside from the entrepreneurial behavior and industrial work practice, there are many other factors that could influence the entrepreneurial intention. Suryana (2011) divided the influencing factors of entrepreneurial intention into two massive group which are the intrinsic and extrinsic factor.

5 CONCLUSIONS

Based on the foregoing findings and discussion, it can be concluded that the entrepreneurial behavior factor is significantly and positively influences the entrepreneurial intention of Vocational High School graduates showed by the 23.72% value of determination coefficient. In addition, the factor of industrial work practice experience is significantly and positively influences the entrepreneurial intention of graduated students of Vocational High School showed by the 66.26% value of determination coefficient. Also, the entrepreneurial behavior and the experience of industrial work practice are both significantly and positively influence the entrepreneurial intention of Vocational High School graduates showed by the 75.86% value of determination coefficient.

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