The Effect of Entrepreneurial Potential on Intention Students in Universities

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Abstract: *Entrepreneurship education as a place to grow and encourage entrepreneurial intention is important for an entrepreneur in setting up a new business, as well as field data related to entrepreneurship education that encourages the emergence of student entrepreneurial intention. This study aims to determine the influence of the entrepreneurial potential on student intention. The research method used is the Linear Regression. The study population was 5170 students with a sample calculation using the Solvin formula, the number of samples to be used was 371 students (error rate 5%). Purposive sampling is a nonprobability sampling technique used in this research, then testing the validity and reliability of research data collection is done through the analysis of test CFA Kaiser-Meyer Olkin, Barlett test, and reliability of composite Raykov using SPSS 21 and Ms. Excel. Analysis showed if, there is a significant influence between entrepreneurial potential and intention, meaning that the entrepreneurial potential can be said to be a predictor of entrepreneurial intention.*
Key Word*: Entrepreneurial Intention; Entrepreneurship Education; Entrepreneurial Potential; Entrepreneurship.*

I.   Introduction

Entrepreneurship education is a way to stimulate the economy and reduce structural unemployment [1]. Entrepreneurship education is an appropriate and effective tool to increase entrepreneurial intention. Entrepreneurship education is considered as the main factor influencing entrepreneurial intention [2]. Entrepreneurial intention is defined as an individual's intention to participate in activities that lead to the emergence of new businesses [3]. The results of the study show that training and entrepreneurship education can be a strong strategic tool for regional development, and it is important for entities such as academia, government, and business to work together to achieve the same goal of strengthening the entrepreneurial intention of the community [4]. Entrepreneurship education increases entrepreneurial intention by regulating students' emotions [5]. Entrepreneurship education with learning actions, has a high influence on entrepreneurial intention [6].

Entrepreneurship education is a process that begins with the attention of students and then continues to interest in entrepreneurship. Finally, students will be moved to set up their own business after building the competencies needed to own and run a business. The objectives of entrepreneurship education and training are generally to develop a set of entrepreneurial skills (potential), increase the entrepreneurial mindset, stimulate entrepreneurial behavior, and prepare and assist students' entrepreneurial efforts [7].

Entrepreneurial potential is the entrepreneurial potential possessed by a person. Entrepreneurial potential as a very important concept related to one's entrepreneurial potential, also takes into account entrepreneurial intention, or an entrepreneurial behavior [8]. Potential entrepreneurs have characteristics, namely demographic characteristics such as age, gender, entrepreneurial family background, work experience, and personality trait [9]. Entrepreneurial intention as a result of entrepreneurial potential [10]. Entrepreneurial potential as a combination of human capital in the form of knowledge and skills of entrepreneurship, finance and cooperative relationships to build new businesses in certain business environments [11]. Entrepreneurial potential consists of entrepreneurial personality traits and environmental variables that affect a person's intention to do business which is then used to analyze gender differences [12].

So, the definition of entrepreneurial potential in this study refers to a person's psychology and cognition, related to entrepreneurial intention to start a new business. Psychology and cognition here refers to a person's personality traits and entrepreneurial skills. Assessing two action-oriented personality traits that underlie the development of entrepreneurial self-efficacy and entrepreneurial intention for potential entrepreneurs, namely proactive personality and trait competitiveness. [13].

Families play a major role in the formation of entrepreneurial potential, because the formation of potential begins at an early age [14]. The results show that Igbo Traditional Business School (ITBS) positively

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and significantly affects entrepreneurial potential and entrepreneurial intention, also shows that perceived desirability, perceived feasibility and propensity to act are significant predictor of entrepreneurial intention [15].

II. Material And Methods

This research uses non-experiment quantitative research methods, namely descriptive statistics that function to describe each research variable including the average (mean), lowest (minimum), and highest (maximum), as well as the standard deviation. The variables in this study are: entrepreneurial intention as dependent variable (Y), entrepreneurial potential as an independent variable (X), and educational background in terms of this is the student-faculty as a control variable with the symbol K (IPA = 1, IPS = 0).

The population in this study were undergraduate students of Sebelas Maret University class of 2017 who had taken entrepreneurship education courses. The number of undergraduate students at Sebelas Maret University class of 2017 was 5170 students. The sample calculation was carried out by the Slovin method with an error level of 5% so that the total number to be used was 371 UNS class, 2017 students. The sampling technique is nonprobability with purposive sampling type, in which the researcher has determined the characteristics of the sample so that other samples that do not meet the characteristics will not be taken. The characteristics of the sample in this research are all undergraduate students (S1) of UNS class 2017 and faculties who have entrepreneurship education courses.

The research instrument was designed with this type of questionnaire used the enclosed questionnaire and direct, that is the type of questionnaire answers have been provided for respondents to choose the answer, then either directly or through a google form provided and filled out by the respondent following itself. Item is designed with a Likert-type scale of 4-point, with alternative answers and value from strongly agree grades 4 to strongly disagree value of 1. The instrument is based on indicators of each variable entrepreneurial intention or EI (Y) consists of a 7 point statement, the variable entrepreneurial potential EP (X) consists of 10 items.

Testing validity and reliability of the instrument carried out with measuring the model through Confirmatory Factors Analysis (CFA) using SPSS 21 software for validity testing. Reliability uses the structural equation model approach from Raykov or the reliability of the Raykov composite, which measures the reliability coefficient through the SPSS 21 application and Ms. Excel as a measuring tool. Factor analysis can be said to be good if the sample size used is not less than 50 and it will be better if the sample is more than 100 [16] so that the research instrument was tested as many as 150 students.

Test the validity of the instrument using CFA analysis by paying attention to the value of the Kaiser Meyer Olkin Measure of Sampling Adequacy, more than or $p > 0.50$, then the analysis process can be continued. Then, Bartlett's test of significance is less than or $p < 0.05$, indicating that it has sufficient correlation between variables and can continue the process. The result of the rotated component matrix that groups each component shows unidimensionality, or in other words, it is declared valid [17].

The validity results show that if the KMO MSA value of the instrument being tested is 0.869, this value is > 0.50 meaning that the analysis can be continued. The significance of Bartlett's test, this trial instrument is 0.00, indicating a value less than 0.05, This means that there is a correlation among variables that will be continued, while results of the rotation of the matrix instrument components consider the following table:

Tabel 1. *Rotated Component Matriks*

Simbol	Component		
	1	2	3
EI2		0.631	
EI3		0.715	
EI4		0.801	
EI5			0.515
EP2			0.784
EP3			0.705
EP4			0.618
EP5	0.655		
EP6	0.706		
EP7	0.733		
EP8	0.735		
EP9	0.696		
EP10	0.617		

The results of the Rotated Component Matrix can be seen if the statement items have been grouped by the component when the EI1, EI6, EI7, and EP1 statements are deleted so that the statement items for each grouped component can be said to be valid in this research instrument. The reliability construct is in a good

category if the Construct Reliability (CR) value is more than 0.70, and/or can still be said to be good if the CR is at 0.60 and 0.70 [16]. The reliability test is carried out using the CR formula, the calculation is done by counting the statement items for each component grouped into the Rotated Component Matrix. The results of the calculation of CR for each component 1, 2, and 3 in sequence, namely: 0.761, 0.754, and 0.846, shows the output of Construct Reliability (CR) analysis > 0.70 which means reliable.

The method of analysis in this research is linear regression to determine the relationship and interaction of X and Y, which student-faculty as a control variable. The stages carried out in this data analysis technique include four tests which are carried out in stages, namely:

Stage 1: Testing classical assumptions is a prerequisite for descriptive quantitative research (linear regression analysis). The tests used were multicollinearity, heteroscedasticity, and the following normality:

a. Multicollinearity is measured through the following criteria: the results of the analysis show multicollinearity if the tolerance is less than 0.10 or the Variance Inflation Factor is greater than 10, and vice versa, the results show that there is no multicollinearity when the tolerance is ≥ 0.10, VIF ≤ 10 [17]. The result is that the variables of faculty and entrepreneurial potential have tolerance values of 0.984, and 0.455 and a VIF of 1.016; and 2.196, the value obtained interpreted that there was no multicollinearity.

b. Heteroscedasticity using the Glejser statistical method, namely the residual value of all independent variables that are dissolved, with a decision making with a significant value > 0.01 indicating no heteroscedasticity. The results show the sequential significance of the faculty, and entrepreneurial potential variables, namely 0.378; and 0.354, all of which are above or > 0.01 indicates not have heteroscedasticity in regression models.

c. Residual normality carried out through the One-Sample Kolmogorov Smirnov test, decisions are taken with due regard to the value of Asymptotic Significance. If the probability > 0.05 then the regression model is normally distributed, otherwise the distribution is not normal in the regression model if the probability < 0.05 [18]. The results of Asymptotic Significance in this research, namely 0.200 > 0.05, mean that the residuals are normally distributed.

Stage 2: The linear regression, which aims to interpret the relationship between independent and dependent variables, which is controlled by a controlling variable or made constant so that it has no other influence than beyond this research. Then perform a determination analysis, perform the F and t-test (analyze the significance at model) the following equations:

a. The coefficient of determination R2 uses R Square in its analysis because the regression in this study uses two independent variables, by looking at the Model Summary output to interpret the results of the analysis. R2 provides data related to the percentage explained by the independent effect to a dependent variable, and the rest comes to the impact of other variables, not from models. When R2 number larger than 0.5 indicates a strong correlation between dependent and independent variables [19].

b. F test (Simultaneous Signification), serves to explain the independent variables that significantly influence a dependent simultaneously. Criteria for calculating the hypothesis using the F statistic are as follows [20]: The probability scale or significance (α) 5% (0.05) and the confidence level used is 95% of the degree (DK) = n-k-1. The probability (significance) of more than α (0.05) indicates that if there is no mutual impact among independent on dependent variables, and vice versa if the probability is less than α (0.05), then simultaneously the independent variable influences a dependent.

c. The t-test has a function to show the regression model of the independent and dependent variables individually has a significant effect. This study uses a significant level of 5%, meaning that errors in decision making are 5% with a confidence level of 95%, the hypothesis will be tested as follows [20]:
   1) $H_O: \beta_1 = 0$, indicates that an independent variable has no significant effect on a dependent
   2) $H_O: \beta_1 \neq 0$, shows if the independent and dependent variables have a significant effect.

   The basis for decision making is determined through a comparison of t count and t table or can use the probability value, as follows: When t count > t table, probability < 0.05 indicates that it has an individual influence on the independent and dependent variables; reverse t count < table, the probability of > 0.05 significant effect does not occur.

III. Result

Descriptive analysis of each variable in the research includes average (mean), lowest (minimum) value, highest (maximum), and standard deviation. Look at this table:

Table 1. Descriptive Statistical Analysis Results

	N	Minimum	Maximum	Mean	Std. Deviation
Fakultas	371	0	1	0.38	0.487
Entrepreneurial Intention	371	5	16	11.20	2.113

Entrepreneurial Potential	371	9	32	23.56	4.178
Valid N (listwise)	371				

Results of linear regression test analysis to determine the effect of X on Y, which the student-faculty as a control variable, look at this table:

Table 2. Coefficients[a]

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	3.297	0.476		6.921	0.000
	Fakultas	-0.048	0.169	-0.011	-0.284	0.776
	Potential	0.336	0.020	0.665	17.079	0.000

Table 3. Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	0.665	0.442	0.439	1.582

Table 4. ANOVA

	Model	Sum of Squares	df	Mean Square	F	Sig.
1	Regression	730.567	2	365.283	146.007	0.000
	Residual	920.673	368	2.502		
	Total	1651.240	370			

The results of the analysis in table 2 show the regression model as follows:
Model 1: *Entrepreneurial Intention* = 3.297 + -0.048 Faculty + 0.336 *Entrepreneurial Potential* + ε

The model that has been obtained is interpreted as follows:

The constant value in the analysis results is 3.297, when the faculty variable (as a control variable) and entrepreneurial potential are equal to zero, the entrepreneurial intention value is 3.297. The regression coefficient value for the faculty variable is -0.048 and the entrepreneurial potential variable (β) is 0.336 with a significance of 0.000. A positive value means that if every increase in entrepreneurial potential is one unit, it will increase entrepreneurial intention by 0.336 units assuming it is controlled by faculty variables. Explanation of the regression results at these model or equation, namely:

The coefficient of determination, R Square in equation 1 (see table 3) is 0.442, indicating that 44.2% of the variation in entrepreneurial intention is explained by the entrepreneurial potential which is controlled by one control variable (faculty), the rest (55.8%) is described by other variables instead of of the model. R Square 0.442 <0.5 tells that entrepreneurial potential and entrepreneurial intention have a weak relationship. Then to analyze the significance of the model, the F test was carried out, seen in table 4 F (2, 368) = 146.007, p <0.05, which intend that the regression model is significant and an entrepreneurial potential has a joint effect on entrepreneurial intention. The impact for each predictor (partially), seen from the coefficient value and its significance in table 2 if, β = 0.336, t = 17.079, p <0.05, namely that the entrepreneurial potential has a significant impact on intention. Value at β Entrepreneurial potential sees Unstandardized Coefficients (table 3) of 0.336 with a significance of 0.000 or (β ≠ 0).

F test results for model 1 with Df 1 (number of variables -1) = 3-1 = 2, and df 2 (nk-1) = 371-2-1 = 368, F(2, 368) = 146.007, with a significance p <0.05, which means that the regression model is significant and the entrepreneurial potential has a positive effect on entrepreneurial intention. The results of the t-test show model 1 with df n-k-1 = 371-2-1 = 368, t(368) = 17.079, or a significance of p <0.05, meaning that entrepreneurial potential has a significant and positive effect on entrepreneurial intention. The results of the t-test show that if β = 0.336 or β ≠ 0, t(368) = 17.079, p <0.05, which means that entrepreneurial potential has a significant and positive effect on entrepreneurial intention. A positive regression coefficient value explains that every one unit increase in entrepreneurial potential will increase entrepreneurial intention by 0.336 assuming it

is controlled by faculty variables. If entrepreneurial potential increases, then it must show an increase in entrepreneurial intention, so that the best measure for entrepreneurial potential is through entrepreneurial intention. The increase in entrepreneurial potential in educational programs is carried out by targeting the increase in the entrepreneurial attitude of the participants and the perceived skills and competencies in carrying out entrepreneurship activities [10]. Entrepreneurial potential has a positive effect on a person's entrepreneurial intention [8].

IV. Conclusion

The conclusions that can be drawn from the results of the analysis and discussion of the research that have been carried out are: There is a significant and positive influence between entrepreneurial potential on the entrepreneurial intention of 2017 UNS students. This shows that the high entrepreneurial potential obtained in entrepreneurship education on campus will increase a person's entrepreneurial intention, so it can be said that entrepreneurial potential is a predictor of entrepreneurial intention. This study only explains how the influence of entrepreneurial potential on entrepreneurial intention. We need to review again related to the role of entrepreneurship education in growing and developing entrepreneurial potential and student intentions. It also needs to be reviewed regarding the combination of human capital (knowledge and skills), finance and cooperation that forms entrepreneurial potential in building a new business towards entrepreneurial intention.

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