DOI: 10.19184/jpe.v17i2.43287

# THE EFFECT OF ENTREPRENEURIAL KNOWLEDGE ON ENTREPRENEURIAL INTENTION WITH THE MEDIATION OF ENTREPRENEURIAL ATTITUDES, SUBJECTIVE NORMS, AND SELF- EFFICACY

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#### **Abstract**

The results of pre-research conducted by researchers by giving a questionnaire regarding entrepreneurial intentions to students, revealed that the entrepreneurial intentions of students at SMK Palasah District are still low. Various efforts can be made to increase entrepreneurial intentions, one of which is by learning entrepreneurial creative products. In addition to entrepreneurial knowledge, other internal factors such as attitudes, subjective norms and self-efficacy also affect the level of entrepreneurial intentions. The population in this study were all XII grade students of SMKN 1 Palasah and SMKS Ar Rahmat which amounted to 913 people with a sample proportion of 278 students. The results showed that 1) Entrepreneurial knowledge has a direct and positive effect on entrepreneurial intention. 2) Entrepreneurial attitudes mediate the influence of entrepreneurial knowledge on entrepreneurial intentions. 3) Subjective norms mediate the effect of entrepreneurial knowledge on entrepreneurial intentions. 4) Self-efficacy mediates the effect of entrepreneurial knowledge on entrepreneurial intention.

**Keywords:** Entrepreneurship Knowledge, Entrepreneurial Intention, Entrepreneurial Attitude, Subjective Norms, Self-efficacy.

#### INTRODUCTION

The 21st century is characterized by the rapid development of automation and information technology, so that repetitive and routine work began to be replaced by machines, both using computers and production machines, which resulted in decreased employment and increased unemployment. Of these unemployed people, the highest number of SMK graduates is 9.42%. Meanwhile, the second highest unemployment rate is for high school graduates at 8.57%, then for junior high school graduates at 5.95%, university graduates at 4.80%, and diploma graduates at 4.59%. Various efforts can be made by the government to overcome the high unemployment rate of SMK graduates such as adjusting the curriculum to industry needs, improving the competence and quality of educators as human resources, and encouraging SMK students to become entrepreneurs.

Starting a business is considered the best way to overcome these problems because entrepreneurship is one of the drivers of a country's economic growth (Casson, et al., 2006; Collin, et al., 2004; Afiah, 2009 in Iskandar & Mulyati, 2018). According to Bakrun (2018) as the director of coaching at the Ministry of Education and Culture, there are only about 5% of vocational school graduates who are entrepreneurs. One of the things that needs to be considered is that entrepreneurship requires some basic things, namely the entrepreneurial intention of students.

The level of entrepreneurial intention in students in Palasah District is still quite low. This can be seen from the lack of students who intend and decide to become entrepreneurs. The following are the results of a survey conducted by researchers on 50 vocational students in Palasah District regarding the level of entrepreneurial intentions, as follows:

Table 1. Questionnaire Processing Results Regarding Entrepreneurial Intention

		Intend and decide to	Already	Have received	Entrepreneurship
		become an entrepreneur	opened and	entrepreneursh	education is important
		instead of working for	running a	ip education at	in fostering your desire
		someone else	business	school	for entrepreneurship
Yes	Jml	20	11	5	30
	%	40 %	22 %	100 %	60 %
No	Jml	5	32		
	%	10 %	64 %		
Don't	Jml	25	7		20
know	%	50 %	14 %		40 %
Jm	1	50	50	5	50
%		100 %	100 %	100 %	100 %

From the questionnaire processing above, it can be seen that out of 50 students, only 20 people decided to become entrepreneurs after graduating from school. However, of the 20 people, only 11 people have run a business or 22% and as many as 32 people have not opened and run entrepreneurial activities. This number shows that students' entrepreneurial intentions are still quite low. This is due to the many orientations or mindsets of students who are still dependent on existing jobs, so that after graduation, the majority prefer to look for work rather than open business opportunities. The profession of being an employee or employee is considered more practical and less risky than being an entrepreneur.

Entrepreneurial intention is a person's intention to open a business independently (Engel et al., 2006). Entrepreneurial intention is a strong intention that exists in a person to create and own a business (Zhang and Cain, 2017). Entrepreneurial intentions can be increased through teaching entrepreneurship, which from an early age can be taught at school (Maresch et al, 2016). Entrepreneurial knowledge can be obtained from entrepreneurship learning. Entrepreneurship learning is the cultivation of values, abilities, and behavior in creation and innovation to form a person's entrepreneurial spirit (Danuhadimedjo, 2010:77).

To foster entrepreneurial intentions of vocational students, the government has supported the existence of Creative Product and Entrepreneurship subjects for class XI with a total of 7 hours per week, and in class XII with a total of 8 hours per week. With the learning of creative products and entrepreneurship, it is expected to foster students' entrepreneurial intentions. This is in accordance with research conducted by Utami (2019) showing the results that learning Entrepreneurship Creative Products has an influence on the entrepreneurial intentions of vocational students. And research conducted by Chandra, R. A., & Budiono, H. (2019) on the effect of entrepreneurship education on entrepreneurial intentions mediated by self- efficacy shows the results that entrepreneurship education has a positive and significant effect on entrepreneurial intentions.

Linan and Chen (2006) stated that the presence of intention to start can be a decisive element in a person's behavior. Linan and Chen (2008) developed an entrepreneurial intention model based on Ajzen's Theory of Planned Behavior. Ajzen (1991) states that a person's intention to perform a behavior can be measured through three aspects of the Theory of Planned Behavior, namely attitudes towards behavior, subjective norms, and self-efficacy or perceived behavioral control. Attitude is an evaluation

DOI: 10.19184/jpe.v17i2.43287

of an individual's positive or negative beliefs or feelings if they have to perform certain behaviors (Fishbein and Ajzen, 1975). Attitude towards entrepreneurship can be interpreted as the ability that exists in a person to be entrepreneurial, referring to an individual's response to risks in doing business, being able to take opportunities to innovate and think creatively in making products, as well as facing challenges and taking various opportunities in the business world. According to Fenech et al. (2019) that subjective norm is an opinion or expectation from the closest people or people who are considered important to individuals who can influence the behavior of these individuals. Or in other words, subjective norms are the perception of individuals to receive direction or input from people around them regarding entrepreneurship, so that they can provide social encouragement to do or not do entrepreneurship. Apart from subjective norms, researchers also examine other internal factors such as self-efficacy. Self-efficacy is a person's self-confidence in his ability to influence a person's intention to become an entrepreneur. According to Jatisunda (2017) that self-efficacy is one of the individual assessments of their ability to perform a behavior to achieve certain goals.

#### RESEARCH METHOD

This research uses the Explanatory Survey method. According to Sugiyono (2017:6) the explanatory survey method is a research method that explains the location of research variables. While the research subjects are students of SMK Negeri 1 Palasah and SMKS Ar Rahmat. SMK Negeri 1 Palasah consists of 5 competencies, namely accounting and financial institutions, computer and network engineering, light vehicle engineering, hospitality, and travel business. while smks ar rahmat consists of 5 skill competencies namely software engineering, computer and network engineering, light vehicle engineering, nursing, and pharmacy.

The population in this study were all Class XII students of SMKN 1 Palasah, totaling 826 people and SMKS Ar Rahmat, totaling 87 people. While the number of samples based on calculations using the Slovin formula obtained a sample of 252 students of SMKN 1 Palasah and 26 students of SMKS Ar Rahmat. Instrument testing is carried out using validity tests, reliability tests, and data analysis techniques through classical assumption tests such as data normality tests then proceed with hypothesis testing using the Parallell Multiple Mediator test.

#### **RESULTS AND DISCUSSION**

The research data collection was carried out using a Likert scale questionnaire instrument with five answer options to measure each research variable based on theory. Based on the results of the data that has been obtained, all questionnaire instruments that have been made by researchers have fulfilled the instrument test, namely all statement items are declared valid where the rount obtained is more than rtable using the product moment correlation test, then testing is carried out using Cronbach alpha and obtained coef > 0.60. So that the instrument used is valid, reliable and suitable to be used as an instrument in research. So that the instrument used is valid, reliable and feasible to be used as an instrument in research.

Before conducting parametric statistics, researchers conducted statistical prerequisite tests including normality and multicollinearity tests. Based on the results of normality testing using the Kolmogorv-Smirnov (K-S) test, the K-S coefficient is obtained more than 0.05. So that the data in the study of both independent, moderator, and dependent variables come from normally distributed data. Furthermore, based on the results of data multicollinearity testing using the VIP value, the coefficient < 10 is obtained, so there are no symptoms of multicollinearity between variables in the study.

After the prerequisite test is fulfilled, the researchers conduct hypothesis testing using the mediation model test: parallel multiple mediator models. However, before the results of hypothesis

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testing, the researcher presents the results of the variable description analysis based on the average score of respondents' answers to the questionnaire. The following are the results of the description analysis of each variable:

Table 2. Descriptive Analysis Results

1						
Variable	Average		Catagory			
v arrable	SMK N 1 Palasah	SMKS Ar Rahmat	Category			
Entrepreneurial Knowledge	84,6	87	Medium			
Entrepreneurial Attitudes	36,44	38,81	Medium			
Subjective Norms	42,27	41,15	Medium			
Self- Efficacy	45,3	45,15	Medium			
Entrepreneurial Intention	44,44	43,69	Medium			

Based on the table above for the entrepreneurial knowledge variable, on average, the entrepreneurial knowledge of SMKS Ar Rahmat is higher, namely 87 compared to SMKN 1 Palasah, namely 84.6 because the number of students in the class is smaller so that the learning process is more conducive and effective. And overall it is in the medium category. This means that there are still students who do not have good entrepreneurship, such as limited ideas in planning a business, limited entrepreneurial practice, and from the educator factor there are also entrepreneurship teachers who do not have entrepreneurial expertise.

For the entrepreneurial attitude variable on average, the entrepreneurial attitude of SMKS Ar Rahmat is higher, namely 38.82 compared to SMKN 1 Palasah, namely 36.42, especially in terms of interest in business opportunities and courage to take risks because SMKS Ar Rahmat students are more accustomed to being independent. For subjective norm variables on average, the higher subjective norm of SMKN 1 Palasah is 42.27 compared to SMKS Ar Rahmat which is 41.15 because most of the students of SMKN 1 Palasah come from lower middle class families so that the family is very supportive of entrepreneurship. Likewise with friends, teachers or the environment around students is quite supportive and conducive to entrepreneurship. For self-efficacy variables on average higher self-efficacy SMKN 1 Palasah is 45.53 compared to SMKS AR Rahmat is 45.15 in terms of confidence or confidence for entrepreneurship and economic independence.

As for the entrepreneurial intention variable, the average higher entrepreneurial intention of SMKN 1 Palasah is 44.44 compared to SMKS Ar Rahmat which is 43.69 due to support from family, teachers, and the environment as well as the bazaar activities that are often carried out so as to encourage students to become entrepreneurs.

Furthermore, below, more clearly the researchers present the results of the analysis of the results of hypothesis testing using parallel multiple mediator models through the statistical processing application, namely SPSS, and the following results are obtained:

## 1. Model Testing I: The Effect of X on Y Variable

Based on the results of data analysis, it is found that the research sig value is  $0.000 \le 0.05$ , which means that there is an effect of entrepreneurial knowledge directly on Y variable.

Based on the test results, the "beta" value = 0.907 with a value of Fhit = 1274.557 (p = 0.000) which means that the test is significant. This shows that X affects Y. This means that high and low entrepreneurial knowledge will have an effect on increasing Y. Meanwhile, to determine the magnitude of the influence of entrepreneurial knowledge on Y, the value of the Coefficient of Determination R2 yx = 0.822 or 82.2% is obtained. Which means that the magnitude of the influence of the X variable on

Y is 82.2%. So it can be concluded that 82.2% of Y variables are influenced by X variable while 17.8% is influenced by other variables. From the test results above, a test model chart can also be made as follows:

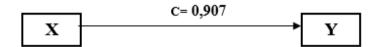


Figure 1. The Effect of X on Y Variable

Learners' understanding of entrepreneurial knowledge in schools is shown by the assessment of student learning outcomes. Learning outcomes show the level of learning achievement of students, if students get a good achievement then the learning objectives are achieved. In the learning process, students not only gain knowledge toeritically but students get practical experience, such as making a product and holding a bazaar activity.

With entrepreneurial knowledge, individuals understand the things needed to manage a business as well as the risks that may be faced such as business competition. A good entrepreneurship learning process will be able to influence the high level of entrepreneurial intention of students. The results of this study are in accordance with previous researchers conducted which state that entrepreneurial knowledge has an influence on entrepreneurial intention.

#### 2. Model Testing II: M1 mediates the effect of X on Y Variable

The simple regression equation of the effect of X Variable on M1 Variable, shows that Entrepreneurial Knowledge is significant to Entrepreneurial Attitude with a significance value of 0.000  $< \alpha = 0.050$  and regression coefficient (a) = 0.921.

The regression equation of Variable M1 mediates the effect of (Variable X) on (Variable Y), showing that Entrepreneurial Knowledge is significant to entrepreneurial intention, after being mediated by Entrepreneurial Attitude with a significance value of  $0.000 < \alpha = 0.050$  and regression coefficient (b) = 0.963. Furthermore, the direct effect c' was found to be 0.794 which is smaller than c = 0.907. The effect of entrepreneurial knowledge on entrepreneurial intention is reduced (c'= 0.794 < c = 0.907) and significant (0.000 < 0.05) after being mediated by M1. It can be concluded that this model is included in partial mediation or partial mediation occurs, meaning that X affects entrepreneurial intentions both directly and indirectly through M1. From the test results above, a test model chart can be made as follows:

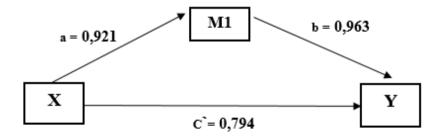


Figure 2. Mediated Model of the Effect of X on Y variable Through M1

According to Linan and Chen (in Liguori et al, 2019) entrepreneurial attitude refers to their

positive or negative personal judgment about being an entrepreneur. Entrepreneurial attitudes are also closely related to Y, the more someone has a good entrepreneurial attitude, the more they intend to run an entrepreneurship. This is also supported by previous studies which suggest that entrepreneurial knowledge can shape students' thinking, attitudes and behavior to become true entrepreneurs, thus leading them to choose entrepreneurship as a career choice.

## 3. Model Testing III: M2 mediates the effect of X on Y Variable

The simple regression equation of the effect of Variable X on Variable M2, shows that Variable X affects Variable M2 with a significance value of 0.036 < 0.05 and the regression coefficient (a) = 0.126. The multiple regression equation of Subjective Norms mediates the effect of (Variable X) on (Variable Y), showing that X is significant to Y, after being mediated by M2 with a significance value of 0.000 < 0.050 and regression coefficient (b) = 0.093.

Furthermore, the direct effect c' was found to be 0.895 which is smaller than c=0.907. The effect of X on Y is reduced (c'=0.895 < c=0.907) and significant (0.000 < 0.05) after being mediated by M2. It can be concluded that this model is included in partial mediation or partial mediation occurs, meaning that X affects Y both directly and indirectly through subjective norms. From the test results above, a test model chart can be made as follows:

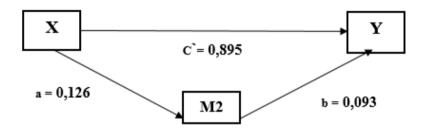


Figure 3. Mediated Model of the Effect of X on Y variable through M2

The better the subjective norms that a person receives, the more encouragement or intention to become an entrepreneur because his actions can be accepted by his group (Maresch et al. 2016). Previous research concluded that subjective norms have a significant effect on entrepreneurial intention.

Learners are generally still dependent on people around them such as family, friends, or teachers. If the belief or support from friends, the community environment for entrepreneurship is good and supportive, it will further support students to understand about entrepreneurial knowledge so that they are motivated to do entrepreneurship. Thus, the importance of understanding to the community about entrepreneurship knowledge so that the community or the surrounding environment will support entrepreneurship. Understanding of entrepreneurship to the community can be done by socializing and providing training to the community about entrepreneurship.

## 4. Model Testing IV: M3 mediates the effect of X on Y Variable

The simple regression equation of the effect of X on Y, shows that X variable has a significant effect on Y with a significance value of  $0.000 < \alpha = 0.050$  and a regression coefficient (c) = 0.907. The simple regression equation of the effect of Variable X on Variable M3, shows that Variable X affects Variable M3 with a significance value of 0.000 < 0.05 and the regression coefficient (a) = 0.135. The regression equation of Self-Efficacy mediates the effect of (Variable X) on (Variable Y), showing that X is significant to Y, after being mediated by M3 with a significance value of 0.000 <0.050 and regression coefficient (b) = 0.062.

Furthermore, the direct effect c' was found to be 0.898 which is smaller than c = 0.907. The

DOI: 10.19184/jpe.v17i2.43287

effect of entrepreneurial knowledge on entrepreneurial intention is reduced (c'=0.898 < c=0.907) and significant (0.000 < 0.05) after mediated self-efficacy. It can be concluded that this model is included in partial mediation or partial mediation occurs, meaning that entrepreneurial knowledge affects entrepreneurial intention both directly and indirectly through self-efficacy. From the test results above, a test model chart can also be made as follows:

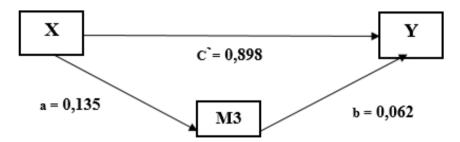


Figure 4. Mediated Model of the Effect of X on Y variable through M3

X variable is the basis for the formation of a person's intelligence that can form self-confidence in entrepreneurship (Al Ayyubi et al: 2018). An entrepreneur will not have confidence if he does not have the necessary knowledge, skills and abilities. Self- efficacy allows a person to be more confident in the business plan he starts and has the potential to become an entrepreneur. Without self-efficacy, a person tends to think about not becoming an entrepreneur and prefers to work under someone's leadership. Seeing the importance of self-efficacy in increasing entrepreneurial intentions, self-efficacy is needed for students to become entrepreneurs, create jobs, reduce unemployment and improve the country's economy. Increasing self-efficacy and learning entrepreneurship is expected to foster the intention of students to start a business with courage in facing difficulties, failures and have the strength of conviction to succeed and be able to take advantage of business opportunities.

#### **CONCLUSION**

Entrepreneurial knowledge of students of SMKN 1 Palasah and SMKS Ar Rahmat is in the medium category. Entrepreneurial attitudes fall into moderate criteria; Subjective Norms fall into moderate criteria; Self-efficacy falls into moderate criteria; and entrepreneurial intentions fall into moderate criteria. Entrepreneurial Knowledge has a positive effect on Entrepreneurial Intention. This means that the higher the entrepreneurial knowledge, the higher the entrepreneurial intention. Entrepreneurial Attitude mediates the effect of Entrepreneurial Knowledge on Entrepreneurial Intention. This means that entrepreneurial attitudes. Subjective Norms mediate the effect of Entrepreneurial Knowledge on Entrepreneurial Intention. This means that entrepreneurial knowledge affects entrepreneurial intention either directly or indirectly through self-efficacy. Self-efficacy mediates the effect of Entrepreneurial Knowledge on Entrepreneurial Intention. This means that entrepreneurial knowledge affects entrepreneurial Knowledge on Entrepreneurial Intention. This means that entrepreneurial knowledge affects entrepreneurial intention both directly and indirectly through self-efficacy.

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