

Effect of Personality Traits and Environmental Factors on Entrepreneurial Intention: A Study of Public University Students in Lampung

Ananta Abimanyu¹, Mahrinasari MS^{2*} Management Department, University of Lampung

Corresponding Author: Mahrinasari MS mahrina.sari@feb.unila.ac.id

ARTICLEINFO

Keywords: Entrepreneur, Personality Traits, Environmental Factors, Entrepreneurial Intentions

Received: 11, July Revised: 12, September Accepted: 10, October

©2024 Abimanyu, Mahrinasari: This is an open-access article distributed under the terms of the <u>Creative Commons</u>
Atribusi 4.0 Internasional.



ABSTRACT

Entrepreneurship is one of the professions needed by society, as it can create job opportunities. An entrepreneur must possess good values both within themselves and in their business. This research analyzes the influence of personality traits and environmental factors on the entrepreneurial intentions of students in Lampung Province. The data used in this research consists of primary data obtained from the responses of respondents collected through a questionnaire, as well as secondary data. The sample in this study consists of 220 respondents, using a Nonprobability Sampling method with a purposive sampling technique. The analysis methods used in this research are validity tests, reliability tests, analysis using multiple linear regression, and hypothesis testing, includes t-tests, F-tests, and coefficient of determination tests. (R2). The results obtained in this study indicate that personality traits and environmental factors among students Lampung Province have a positive significant impact on the entrepreneurial intentions of students in Lampung Province.

DOI: https://doi.org/10.59890/t7gnnw49

ISSN-E: 3021-8985

INTRODUCTION

The pursuit of sustained economic growth is crucial for any nation aiming to promote prosperity, opportunity, and social progress. A country committed to enhancing the welfare of its citizens must actively foster an environment conducive to economic development. Through strategic policies, innovative initiatives, substantial infrastructure investments, and effective governance, nations can fully harness the benefits of economic growth, ensuring that opportunities are maximized for present and future generations. Indonesia is one such country that must accelerate its economic development. The Indonesian National Labor Force Survey in August 2023 revealed an Open Unemployment Rate (OPR) of 5.32%, indicating that for every 100 workers, about five remain unemployed. As of March 2023, there were 25.90 million impoverished individuals in Indonesia. This presents a significant challenge, demanding urgent action from both the government and the general populace. In this context, entrepreneurship stands out as a viable solution, offering independence from the limitations of the current job market. According to Nistorescu and Ogarca (2011), entrepreneurship is recognized as a cornerstone of economic growth, playing a vital role in job creation and business expansion. Similarly, Lambing and Kuehl (2007) highlight how entrepreneurship bolsters a nation's economic strength.

Entrepreneurship is particularly crucial for developing nations like Indonesia, where the role of entrepreneurs extends beyond economic development. They contribute to transforming low-income societies into higher-income, technology-driven economies (Wim Naudé, 2008). In agricultural countries like Indonesia, entrepreneurs could significantly boost the nation's economy, particularly through exports of agricultural products, as proposed by Singgih Jay (2019). Despite the importance of entrepreneurship, data from public universities in Lampung, such as the University of Lampung (UNILA) and Raden Intan Lampung Islamic University (UIN RIL), indicates low levels of entrepreneurial intentions among graduates, with most opting for employment in the private sector. This research aims to explore and validate the factors influencing students' entrepreneurial intentions at these institutions.

Entrepreneurial intention is defined as the desire and commitment to start a business (Jena, 2020). Universities are expected to play a pivotal role in nurturing this intention by equipping students with entrepreneurial skills and fostering an environment that encourages entrepreneurship (Tomy & Pardede, 2020). According to Şahin et al. (2019), personal characteristics significantly impact entrepreneurial goals, making it vital to explore the internal and factors that shape students' entrepreneurial Entrepreneurship is a critical driver of economic growth, social progress, and industrial development (Van Praag & Versloot, 2007; Hathaway & Litan, 2014). Entrepreneurial ambition, defined as the deliberate intention to establish a new business (Thompson, 2009), has been shown to accurately predict entrepreneurial activity (Krueger et al., 2000). Therefore, understanding the factors that influence entrepreneurial intention is essential, particularly in regions like Lampung, where students can become future entrepreneurs contributing to both local and national economic growth.

Given the growing recognition of entrepreneurship education's importance, universities should actively promote entrepreneurial initiatives, as demonstrated in countries like China (Fayolle & Gailly, 2015). This research examines the impact of personality traits and environmental factors on entrepreneurial intentions among public university students in Lampung. The findings aim to contribute to academic knowledge and offer practical insights for policy development, enhancing student entrepreneurship interest and improving existing university work programs.

LITERATURE REVIEW

1. Entrepreneurship

Entrepreneurship involves the creation of something new and valuable, requiring effort and time while facing social, physical, and financial risks, with rewards in the form of independence and personal satisfaction (Hisrich et al. in Wijatno, 2009). It entails innovation and risk-taking, resulting in new enterprises, products, or value (Morris in Lambing & Kuehl, 2007). Factors influencing entrepreneurial intentions include individual experiences, work environment, education level, personal character, academic achievements, family influence, associations, self-esteem, and situational conditions such as unemployment or mass layoffs (Hendro, 2011). Entrepreneurs seek opportunities, manage risks, and commit to their ventures.

2. Entrepreneurial Intention

Entrepreneurial intention refers to an individual's strong inclination and motivation to engage in entrepreneurial activities, often driven by a positive attitude toward the object of intention (Saraswati & Widaningsih, 2008). Fishbein, Ajzen, and Bandura in Wijaya (2007) describe intention as a personal desire and determination to achieve a particular behaviour or outcome in the future, influenced by motivational factors. Entrepreneurial intention involves the desire to gather information, establish a business, and pursue entrepreneurial outcomes (Indarti & Rostiani, 2008; Ramdhani in Srimulyani, 2013). It is crucial for understanding one's readiness and progress in entrepreneurship (Carsrud & Brannback, 2009).

3. Personality Traits

Personality traits are stable characteristics that influence behaviour in various situations (Nevid, 2013). Allport (1951) describes traits as emotional stability systems that help individuals adapt to circumstances. Personality, according to Sayyid (2007), is a combination of character and tendencies, shaped by experiences, influencing individual responses. The need for achievement, as defined by Schermerhorn (2012), motivates individuals to take responsibility and solve complex tasks.

4. Environmental Factors

Environmental factors encompass all elements and conditions, including human interactions and activities, that collectively impact human survival and well-being (Samadi, 2006). These factors significantly influence the entrepreneurial process, with key resources such as financial support, education, training, and market competitiveness shaping business initiation (Gomezelj & Kusce, 2013). Notably, environmental conditions can facilitate or impede entrepreneurial endeavours while affecting associated costs and benefits (Luthje & Franke, 2011). Essential dimensions of environmental factors include access to capital, business information, social networks, and the university environment, each playing a crucial role in fostering or hindering entrepreneurial intentions and activities (Indarti & Rosiani, 2008).

METHODOLOGY

1. Research Design

Research is defined as a systematic inquiry aimed at discovering solutions to problems through learning and situational analysis (Sekaran, 2003; Hermawan, 2005). Methodologically, research encompasses approaches that facilitate the understanding and explanation of observed phenomena (Sare, 2006; Hariwijaya & Triton, 2011). This study employs a quantitative approach, focusing on numerical data analysed via statistical methods (Hair et al., 2007). It adopts a cross-sectional design, gathering data from students enrolled in eight universities during the 2019/2020 academic year. The unit of analysis comprises public higher education students in Lampung from 2020 to 2022, as they possess relevant entrepreneurial knowledge and are transitioning into the workforce (Maryati & Suryawati, 2006).

2. Source of Data and Data Collecting Method

Data serves as the fundamental material for research, and its collection entails specific methodologies. This study utilizes both primary and secondary data sources. Primary data is directly gathered by the researchers from active students at the University of Lampung during their eighth semester (Suryabrata, 2008). In contrast, secondary data consists of information previously collected by other entities, which may be sourced from libraries, educational institutions, and organizational records (Hermawan, 2005). The research employs a questionnaire comprising 22 Likert scale questions, assessing respondents' levels of agreement from 1 (strongly disagree) to 5 (strongly agree) (Sekaran, 2003). Collected data will be analyzed using SPSS version 16.0 (Hariwijaya & Triton, 2011).

3. Population and Sample

The population refers to a collective of individuals or items that meet specific criteria pertinent to a research study (Dantes, 2012). It encompasses those who are of interest to the researcher (Sekaran, 2003). As defined by Hariwijaya and Triton (2011), a population comprises individuals or objects that share common characteristics related to the research problem. In this study, the population consists of public higher education students in Lampung enrolled

from 2020 to 2022, particularly those who have completed or are currently taking entrepreneurship courses. The sample is derived from this population using a purposive sampling method to ensure that respondents possess relevant characteristics, with a target of 220 participants to meet statistical validity requirements (Hair et al., 2016; Sugiyono, 2017).

4. Variable Definition Operational

The conceptual definitions of the research variables are critical for understanding their implications in the context of entrepreneurship. Personality traits, as defined by Nevid (2013), are enduring characteristics that influence behaviour across various situations. Allport (1951) in Sunaryo (2004) further elaborates that traits reflect an individual's emotional stability and coping abilities. Environmental factors encompass all conditions and resources affecting human survival and well-being (Samadi, 2006), including support systems for entrepreneurship, such as financial resources and market conditions (Gomezelj & Kusce, 2013). Entrepreneurial intentions, as explained by Fishbein et al. (Wijaya, 2007), represent an individual's commitment to engage in specific behaviours aimed at achieving personal goals. The operational definitions of these variables will facilitate measurement and analysis in the study, with personality traits and environmental factors as independent variables impacting entrepreneurial intentions.

5. Research Instrument Test

Validity is the process of ensuring that surveys or observations are conducted accurately (Hermawan, 2005). A 95% confidence level is utilized for validity testing, where items with r values exceeding the critical value are deemed valid (Sarwono, 2012). Reliability refers to the consistency of questionnaire results (Simamora, 2008). The Cronbach's alpha coefficient, with values above 0.6 indicating reliability, assesses this consistency (Sekaran, 2003).

6. Classic Assumption Test

The multicollinearity test assesses correlations among independent variables in a regression model using tolerance and variance inflation factor (VIF) values (Ghozali, 2011). The autocorrelation test examines correlations between error terms over time, employing the Durbin-Watson test (Ghozali, 2011). Heteroskedasticity tests check for unequal variance in residuals (Ghozali, 2011).

7. Data Analysis Method

The study employs simple and multiple linear regression analyses to examine the influence of personality traits and environmental factors on entrepreneurial intentions, utilizing SPSS version 16.0 for data processing (Usman and Akbar, 2011). Simple linear regression predicts the relationship between one independent and one dependent variable. In contrast, multiple linear regression analyses the impact of multiple independent variables on a single dependent variable (Usman and Akbar, 2011). Hypothesis testing

includes t-tests and F-tests to assess significance levels, with R² determining the contribution of independent variables to entrepreneurial intentions (Hariwijaya and Triton, 2011).

RESULTS AND DISCUSSION

1. Multiple Linear Regression Test

This research utilizes a multiple linear regression analysis to evaluate the influence of personality traits and environmental factors on entrepreneurial intention among 220 respondents in Lampung Province, with a significance level of 95% (α = 5%). As indicated in Table 4.10, the unstandardized coefficients for personality traits (X1) and environmental factors (X2) are 0.106 and 0.203, respectively. The regression equation derived from these coefficients is Y = 4.754 + 0.106X1 + 0.203X2 + e. The positive and significant coefficient values suggest that improvements in both personality traits and environmental factors will enhance entrepreneurial intention among students in Lampung Province.

Table 1. Multiple Linear Regression Test Result

Tuble 1, Waterpie Efficat Registrative Result										
Coefficients ^a										
Model		Unstandardized		Standardized						
		Coefficients		Coefficients	t	Sig.				
		В	Std. Error	Beta						
1	(Constant)	-0,056	0,985		-,057	0,955				
	Personality	0,106	0,032	0,204	3,261	0,001				
	Traits									
	Environment	0,203	0,024	0,538	8,623	0,000				
	Factors									
- Dear-deat Veri-11- Entermone will Intention										

a. Dependent Variable: Enterpreneurial Intention

2. Partial Test

Partial hypothesis testing assesses the individual significant effects of each independent variable on the dependent variable using a t-test at a significance level of 0.05 (α = 5%), along with degrees of freedom. This analysis determines the impact of Personality Traits (X1) and Environmental Factors (X2) on Entrepreneurial Intentions (Y). The hypotheses formulated are Ho: X1 and X2 do not significantly affect Y, and Ha: X1 and X2 do significantly affect Y.

Table 2. Partial Test Result

Variable	t count	t table	Sig.	Information
H1: X1 INFLUENCE ON Y	4,009	-0,057	0,001	Ha approved
H2: X2 INFLUENCE ON Y	7,607	-0,057	0,001	Ha approved

The t-test results, as shown in Table above, reveal that the calculated t values for both hypotheses exceed the critical t value of 1.96, with significance values of 0.001. This indicates that both independent variables positively and

significantly influence entrepreneurial intentions among students in Lampung Province, leading to the acceptance of the alternative hypotheses.

3. Simultaneous Testing (F Test)

Simultaneous testing, using the F test, assesses the collective influence of independent variables on a dependent variable at a confidence level of 95% (α = 5%) and specific degrees of freedom (df). The hypotheses are formulated as follows: Ho states that Personality Traits (X1) and Environmental Factors (X2) do not significantly affect Entrepreneurial Intentions (Y) simultaneously, while Ha posits that they do. With calculated df of 133 and an F table value of 2.26, the F calculated value is 94.675, which exceeds 2.26. The significance level of 0.001 is less than 0.05, leading to the rejection of Ho and acceptance of Ha, indicating that both independent variables significantly influence the entrepreneurial intentions of students in Lampung Province.

4. Test of the Coefficient of Determination (R2)

The coefficient of determination (R²) assesses the proportion of variance in the dependent variable explained by independent variables. An R² value ranges from zero to one, with values closer to one indicating that the independent variable significantly predicts the dependent variable's variation (Ghozali, 2011). In this study, the R² value is 0.465, indicating that Personality Traits (X1) and Environmental Factors (X2) collectively account for 46.5% of the variance in Entrepreneurial Intentions (Y). Consequently, 53.5% of the variation remains attributable to other factors not explored in this research, highlighting the complexity of entrepreneurial intentions.

The findings corroborate the acceptance of the first two hypotheses, demonstrating a significant influence of personality traits (X1) and environmental factors (X2) on entrepreneurial intentions (Y). Previous research emphasizes that many studies on entrepreneurial intention predominantly focus on individual attributes and supply-side factors (Díaz-Casero et al., 2012; Trivedi, 2016). However, the disparity in entrepreneurial activity across different contexts underscores the importance of environmental factors, warranting further exploration (Bruton et al., 2010).

In Lampung Province, the partial test results reveal that environmental factors (X2) significantly impact entrepreneurial intentions, with a calculated t-value of 7.607, surpassing the critical t-value of -0.057, and a significance level of 0.001, which is below the 0.05 threshold. This indicates that environmental factors positively and significantly influence students' entrepreneurial intentions. The questionnaire data reflect the presence of these environmental traits, underscoring their role in fostering entrepreneurial aspirations. However, addressing environmental challenges requires interdisciplinary approaches. Individuals must engage in self-improvement and training to enhance their environmental consciousness and translate it into actionable behaviours (Sharma, 2000). Awareness of environmental issues can lead to behavioural changes, provided individuals believe in their capacity to effect change through informed actions.

CONCLUSIONS AND RECOMMENDATIONS

The analysis and discussion indicate that the initial hypothesis positing a significant positive influence of personality traits and environmental factors on entrepreneurial intentions in Lampung Province is supported. Specifically, personality traits, particularly self-confidence and leadership abilities, students' entrepreneurial inclinations. Additionally, positively affect environmental factors, such as the entrepreneurial courses offered at Lampung influence significantly students' intentions entrepreneurship. To enhance these outcomes, universities should provide accurate and consistent information about entrepreneurship to build trust. Moreover, banks should actively engage with students interested in business. Future research should consider additional variables that may affect entrepreneurial interest among students in Lampung Province.

FURTHER STUDY

Future research could explore additional factors influencing entrepreneurial intentions among students, such as cultural norms, family expectations, and economic conditions in Lampung Province. Investigating the role of psychological traits like risk tolerance or resilience, beyond self-confidence and leadership, may offer deeper insights. Researchers could also assess the long-term impact of entrepreneurship education and examine how access to financial resources or mentorship programs shapes entrepreneurial aspirations among students.

ACKNOWLEDGMENT

We would like to thank all the parties involved in this research.

REFERENCES

- Bruton, G. D., Ahlstrom, D., & Li, H. L. (2010). Institutional theory and entrepreneurship: Where are we now and where do we need to move in the future? Entrepreneurship Theory and Practice, 34 (3), 421-440.
- Carsrud, A. L., & Brännback, M. (2009). Understanding the entrepreneurial mind. Springer Science Business Media.
- Dantes, N. (2012). Metode penelitian. CV Andi Offset.
- Díaz-Casero, J. C., Ferreira, J. J. M., Hernández Mogollón, R., & Barata Raposo, M. L. (2012). Influence of institutional environment on entrepreneurial intention: A comparative study of two countries university students. International Entrepreneurship and Management Journal, 8, 55-74.
- Fayolle, A., & Gailly, B. (2015). The impact of entrepreneurship education on entrepreneurial attitudes and intention: Hysteresis and persistence. Journal of Small Business Management, 53 (1), 75-93.
- Ghozali, I. (2011). Aplikasi analisis multivariate dengan program SPSS. Universitas Diponegoro.
- Gomezelj, D. O., & Kusce, I. (2013). The influence of personal and environmental factors on entrepreneurs' performance. Emerald Group Publishing Limited, 42 (6). Retrieved November 26, 2013, from

- www.emeraldinsight.com/0040-0912.htm
- Hair, J. F., Money, A. H., Samouel, P., & Page, M. (2007). Research methods for business. Leyh Publishing.
- Hariwijaya, M., & Triton, P. B. (2011). Pedoman penulisan ilmiah skripsi & tesis . Oryza.
- Hathaway, I., & Litan, R. E. (2014). Declining business dynamism in the United States: A look at states and metros. Brookings Institution, 2.
- Hendro. (2011). Dasar-dasar kewirausahaan. Erlangga.
- Hermawan, A. (2005). Penelitian bisnis paradigma kuantitatif. PT Grasindo.
- Indarti, N., & Rostiani, R. (2008). Intensi kewirausahaan mahasiswa: Studi perbandingan antara Indonesia, Jepang dan Norwegia. Jurnal Ekonomika dan Bisnis Indonesia, 23 (4). Retrieved October 11, 2013, from www.scholar.google.com
- Jena, R. K. (2020). Measuring the impact of business management student's attitude towards entrepreneurship education on entrepreneurial intention: A case study. Computers in Human Behavior, 107, 106275.
- Krueger Jr, N. F., Reilly, M. D., & Carsrud, A. L. (2000). Competing models of entrepreneurial intentions. Journal of Business Venturing, 15 (5-6), 411-432.
- Kuratko, D. F., & Hodgetts, R. M. (2004). Entrepreneurship: Theory, process, and practice (6th ed.). South-Western.
- Lambing, P. A., & Kuehl, C. R. (2007). Entrepreneurship (4th ed.). Pearson Education.
- Luthje, C., & Franke, N. (2011). Entrepreneurial intentions of business students: A benchmarking study. International Journal of Innovation and Technology Management. Retrieved October 25, 2013, from www.scholar.google.com
- Maryati, K., & Suryawati, J. (2006). Sosiologi untuk SMA dan MA Kelas XII. Erlangga.
- Naudé, W. (2008). Entrepreneurship in economic development.
- Nevid, J. S. (2013). Psychology concepts and applications. Jon-David Hague.
- Nistorescu, T., & Ogarca, R. F. (2011). Determinants of entrepreneurial intent of students in Oltenia region. Review of International Comparative Management, 12 (2), 250-263.
- Saraswati, M., & Widaningsih, I. (2008). Be smart ilmu pengetahuan sosial. Grafindo Media Pratama.
- Sare, Y. (2006). Antropologi SMA MA XII. PT Grasindo.
- Sarwono, J. (2012). Path analysis dengan SPSS: Teori, aplikasi, prosedur analisis untuk riset skripsi, tesis dan disertasi. PT Elex Media Komputindo.
- Sayyid, M. (2007). Pendidikan remaja antara Islam dan ilmu jiwa. Gema Insani Press.
- Şahin, F., Karadağ, H., & Tuncer, B. (2019). Big five personality traits, entrepreneurial self-efficacy and entrepreneurial intention: A configurational approach. International Journal of Entrepreneurial Behavior & Research, 25 (6), 1188-1211.
- Sekaran, U. (2003). Research methods for business (4th ed.). John Wiley & Sons.
- Sharma, S. (2000). Managerial interpretations and organizational context as

- predictors of corporate choice of environmental strategy. Academy of Management Journal, 43 (4), 681-697.
- Simamora, B. (2008). Panduan riset perilaku konsumen. PT Gramedia Pustaka Utama.
- Singgih, J. A. (2020). Peran pengusaha muda dalam mendorong perekonomian Indonesia guna meningkatkan pembangunan nasional. Jurnal Lemhannas RI, 8 (3), 110-121.
- Srimulyani, V. A. (2013). Analisis pengaruh kecerdasan adversitas, internal locus of control, kematangan karir terhadap intensi berwirausaha pada mahasiswa bekerja. Widya Warta, 1. Retrieved October 11, 2013, from www.scholar.google.com
- Sunaryo. (2004). Psikologi untuk keperawatan. Penerbit Buku Kedokteran EGC.
- Thompson, J. (2009). Performance affects: Applied theatre and the end of effect. Springer.
- Tomy, S., & Pardede, E. (2020). An entrepreneurial intention model focusing on higher education. International Journal of Entrepreneurial Behavior & Research, 26 (7), 1423-1447.
- Trivedi, R. (2016). Does university play a significant role in shaping entrepreneurial intention? A cross-country comparative analysis. Journal of Small Business and Enterprise Development, 23 (3), 790-811.
- Usman, H., & Akbar, P. S. (2011). Pengantar statistika (2nd ed.). PT Bumi Aksara.
- Van Praag, C. M., & Versloot, P. H. (2007). What is the value of entrepreneurship? A review of recent research. Small Business Economics, 29 (4), 351-382.
- Wijatno, S. (2009). Pengantar entrepreneurship. PT Grasindo.
- Wijaya, T. (2007). Hubungan adversity intelligence dengan intensi berwirausaha. Jurnal Manajemen dan Kewirausahaan, 9 (2). Retrieved October 11, 2013, from www.scholar.google.com