

The Effect of Entrepreneurship Education and the School Environment on Interest in Entrepreneurship with Self-Efficacy as a Mediation

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Abstract:- Interest in Entrepreneurship is an individual's desire to have a career as an entrepreneur. The study aimed to determine the effect of entrepreneurship education and the school environment on interest in entrepreneurship with self-efficacy as a mediation. Associative causality quantitative research with sampling technique using non-probability sampling, the saturated sample is 85 students of class XII Multimedia SMK XYZ. Technical analysis of data using path analysis method with SmartPLS version 3.2.9. The results of the study reveal that: (1) entrepreneurship education has a significant positive effect on self-efficacy and interest in entrepreneurship; (2) the school environment has a significant positive effect on self-efficacy and interest in entrepreneurship; (3) self-efficacy has a significant positive effect on the interest in entrepreneurship and (4) self-efficacy significantly mediates the entrepreneurship education variable and the school environment variable on the interest in entrepreneurship

Keywords:- *Entrepreneurship Education, School Environment, Self-Efficacy, Interest in Entrepreneurship.*

I. INTRODUCTION

Unemployment and poverty as well as social inequality in Indonesia are serious problems. The unemployment rate among educated people in Indonesia is also very high. Based on BPS data for 2018-2020, the open unemployment rate for Vocational High School (SMK) graduates is the highest with an average of 86.8% and the lowest is at the elementary education level, with an average of 26.53% (Central Bureau of Statistics, 2020). This shows that not many vocational graduates have been absorbed by the labor market. Entrepreneurship has a significant role in moving the nation's economy, encouraging job creation, increasing income distribution and even improving the lives of prosperous people (Aima, 2020). The government is trying to overcome the problem of unemployment and increase entrepreneurship in Indonesia by increasing the competence of SMK graduates. One of the competencies of SMK graduates is the productive ability of students according to their field of expertise, both those that support work and entrepreneurship. Thus, SMK graduates are

expected not only to be able to become ready-to-use workers but also based on their competencies, they are expected to be able to open their own jobs. In reality on the ground, it turns out that many SMK graduates do not get jobs and are not entrepreneurship.

Handayani et al. (2020) in their research shows that entrepreneurship education affects an interest in entrepreneurship. However, Purnama and Suhud's research (2017) states that entrepreneurship education does not affect interest in entrepreneurship. The difference in the results of these studies becomes a research gap for further research. According to Fadly's research (2017), school environment factors affect interest in entrepreneurship, while Rofiah (2016) reveals that school environment does not affect interest in entrepreneurship. Self-efficacy factors can play a role in mediating entrepreneurship education with interest in entrepreneurship, this is in line with research by Anggraeni and Nurcahya (2016) which shows that self-efficacy results mediate the effect of entrepreneurship education on interest in entrepreneurship. Meanwhile, according to Prastiwi's research (2019), self-efficacy does not mediate the effect of entrepreneurship education on interest in entrepreneurship.

In an effort to foster interest in entrepreneurship, vocational students still have several obstacles including lack of understanding and application of knowledge of Entrepreneurship Education, shyness with friends to start entrepreneurship with small capital, lack of support from friends, desire to directly own a business with large profits, lack of family support and lack of venture capital support. According to Caecilia (2012) in Jaya and Seminary (2016), there are several things that cause SMK students not to be interested in entrepreneurship after graduation, because they do not dare to take risks, are afraid to fail, do not have confidence, do not have capital, lack motivation, and do not want to try independent. These factors cause SMK graduates to think that entrepreneurship is something that is difficult to do and prefer to work for other people.

With this background, the authors conducted a study entitled "The Influence of Entrepreneurship Education and School Environment on Interest in Entrepreneurship With Self-Efficacy as Mediation"

II. LITERATURE REVIEW

Entrepreneurship is the process of producing something new, valuable and requires time and energy, risking financial, psychological, and social risks, and obtaining financial results, happiness, and personal freedom. Peter F. Drucker stated that entrepreneurship is a skill to produce something different (Kasmir, 2013:20). This understanding means that an entrepreneur is skilled in making something new, different, or something that doesn't exist yet. The entrepreneurial spirit also increases a person's interest in building and professionally managing his business. (Kasmir, 2013:20).

A. Interest in Entrepreneurship

Interest in entrepreneurship is the desire of individuals to be sensitive to see opportunities and create something new in their business. Interest in entrepreneurship can be seen from the individual's willingness to persevere and work hard to achieve success, the courage to take risks for every policy he takes, the courage to take new paths or ways, the willingness to live frugally, and openness to learning new experiences (Mediatrrix & Sari, 2017). . Tubs and Ekeberg (1991) in Suryaningrum et al. (2016), states that interest in entrepreneurship is a condition that represents the actions that are expected to carry out entrepreneurial behavior. Meanwhile, according to Suryana, entrepreneurial interest is a person's desire to build a business, organize it, take risks and develop it (Kurniawan et al., 2016). Thus, interest in entrepreneurship can be interpreted as a person's desire to be an entrepreneur, build his own business with sensitivity to see business opportunities and the courage to take risks.

According to Linan and Chen in Nguyen (2017), the theory that is most widely used in the entrepreneurship intention research model is the Theory of Planned Behavior (Ajzen). Ajzen in TPB proposes three things that affect entrepreneurial intentions (Dinc & Budic, 2016) namely Attitude Towards the behavior, Subjective Norm, and Perceived behavioral control.

Entrepreneurship Education

Entrepreneurship education according to The European Commission is the development of students' skills and mindsets to be able to turn creative ideas into entrepreneurial actions. This is the main competency for all students, namely supporting individual development, active citizenship, social inclusion, and employability. Entrepreneurship education is a process of instilling an entrepreneurial spirit and mentality through educational institutions and other institutions (Wibowo, 2013:30). According to Fayolle and Klandt (2006), entrepreneurship education is a series of pedagogical actions in cultivating entrepreneurial attitudes and skills, which include improving certain personal qualities. According to Hood and Young (2003), entrepreneurship education explains how to start a new business and strategies to run a business efficiently and effectively through earning high profits to contribute to socio-economic development, while Kourilsky (1995) has stated that entrepreneurship education covers the area of identifying opportunities. business, resource allocation, risk

management, and new company formation. (Weerasinghe, 2020). According to Sugiarto, entrepreneurship education has effectiveness in increasing entrepreneurial intentions (Aima & Suta Achmad Wijaya, 2020; Siti et.al., 2020). Thus, entrepreneurship education is an educational program that instills understanding, skills, and entrepreneurial attitudes to improve the competence of students.

According to Johannisson (1991), five dimensions of learning include know what (entrepreneurial knowledge), know why (values and motives), know who (social interaction), know how (entrepreneurial skills and abilities), and know when (intuition, the right time to start-up). The fifth dimension is known when someone will have when they become an entrepreneur and feel the success and failure in trying.

B. School Environment

Oemar Hamalik (2008) in Srikandi (2016: 163) states that the school is a spatial integrity informal educational institution that influences the formation of attitudes and increasing student competence. The school environment includes the social environment and non-social environment informal educational institutions that affect the formation of the entrepreneurial spirit of students and increase their entrepreneurial potential. Thus, the school environment can be defined as an environment where students experience learning situations, and affect the growth of students' personalities. According to Sukmadinata (2016:164), the dimensions of the school environment include the physical environment, social environment, and academic environment.

C. Self Efficacy

From a perspective of self-knowledge (self-knowledge), self-efficacy greatly affects the daily life of humans (Ghufron & Risnawati, 2012:73). A person's self-efficacy also influences the individual's behavior to obtain the goals to be achieved, including predicting events or phenomena that he will face. The theory of self-efficacy or social cognitive theory, based on an individual's belief in his or her ability to perform a task (Robbins & Judge, 2015: 139). Self-efficacy according to Baron and Byrne is a person's assessment of his ability to carry out a task and attempt to achieve goals and face obstacles (Ghufron & Risnawati, 2012:73). According to Schunk, self-efficacy is a person's belief in his ability to implement a certain action to achieve a goal (Ayyubi, 2019). Bandura said that self-efficacy is a person's confidence in his ability to organize and act to achieve the expected abilities (Karen Hapuk et al., 2020). Self-efficacy is described as self-confidence based on an individual's self-perception of their skills and competencies. Individuals with high self-efficacy struggle more actively in overcoming existing obstacles (Robbins & Judge, 2015: 139).

In entrepreneurship, entrepreneurial self-efficacy may consist of tasks related to the intention and development of new ventures. Bandura, stated that the influence of role models occurs mainly through mastery of experience with repeated performance achievements, learning observations,

and social persuasion that convincing tasks can be performed (Aima et al., 2020). In Ghuftron & Risnawita (2012), Bandura states that self-efficacy is different for each individual based on three dimensions, namely level, strength, and generality

D. Theoretical Framework and Hypotheses

Based on the background, objectives and theoretical studies, the theoretical framework and hypotheses in this study are described as follows:

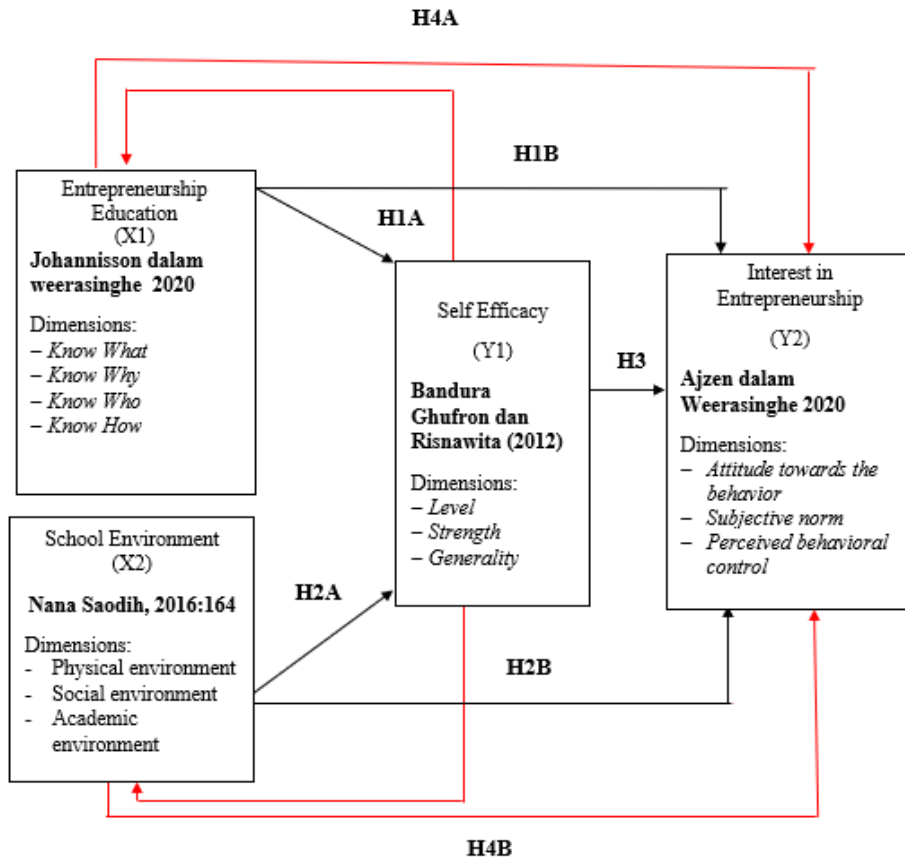


Figure 1. Theoretical Framework

- H1: Entrepreneurship Education has a significant positive effect on self-efficacy and on interest in entrepreneurship
- H2: The school environment has a significant positive effect on self-efficacy and on interest in entrepreneurship
- H3: Self-efficacy has a significant positive effect on interest in entrepreneurship
- H4: Self-efficacy significantly mediates variable entrepreneurship education and variable school environment on interest in entrepreneurship

III. RESEARCH METHOD

This type of quantitative research with causality associative model. Entrepreneurship education and school environment as independent variables and interest in entrepreneurship as the dependent variable and self-efficacy as a mediating variable. The population in this study were all 85 students of class XII multimedia majors at SMK XYZ. The sampling technique used saturated sampling or census so that the sample used was all of the population, namely 85 people as respondents. Data collection techniques include literature study, interviews, and questionnaires. The data analysis method used SEM-PLS version 3.2.9 to analyze the research hypothesis.

IV. RESULT AND DISCUSSION

Characteristics of Respondents

Characteristics of respondents including gender and age can be seen in table 1.

Table 1. Characteristics Of Respondents

No	Category	Choice	Number	Percentage
1	Gender	Male	54	63,53%
		Female	31	36,47%
2	Age (years)	16	4	4,70%
		17	49	57,60%
		18	28	32,90%
		19	3	3,50%
		20	1	1,20%

Based on research data, the majority of respondents were male as many as 54 people (65.53%), while based on age the majority of respondents were 17 years old, namely 49 people (57.6%).

Measurement Model Evaluation (Outer Model)

The loading factor value applied in this study is > 0.5, so if the loading factor value is < 0.5 it will be excluded from the model (Ghozali, 2015). The calculation results show that all indicators, namely entrepreneurship education, school environment, self-efficacy, and interest in entrepreneurship, show a loading factor value of > 0.50 so that all indicators are valid and will be used in this study. Tests to assess the validity of a construct can use the AVE value.

Table 2. Average Variance Extracted Value

Variable	Average Variance Extracted (AVE)
Entrepreneurship education	0,562
School environment	0,602
Self Efficacy	0,585
Interest in Entrepreneurship	0,557

The AVE value for all variables is greater than 0.5. Thus, the convergent validity of the model being tested is not problematic.

The reliability measurement is viewed from the Cronbach's Coefficient Alpha (CA) and Composite Reliability (CR) values which show the consistency value of each indicator in measuring the construct. The required CA and CR values are > 0.7. The results of CA and CR measurements can be seen in Table 3..

Table 3. Cronbach's Alpha (CA) and Composite Reliability (CR) Value

Variable	CA	CR	Conclusion
Entrepreneurship education	0,954	0,958	Reliable
School environment	0,889	0,913	Reliable
Self Efficacy	0,898	0,918	Reliable
Interest in Entrepreneurship	0,900	0,919	Reliable

Table 3. shows the value of Cronbach's alpha (CA) and Composite Reliability (CR) of all variables at > 0.7 so that it can be concluded that the minimum value limit requirements and all constructs have good reliability.

Structural Model Evaluation (Inner Model)

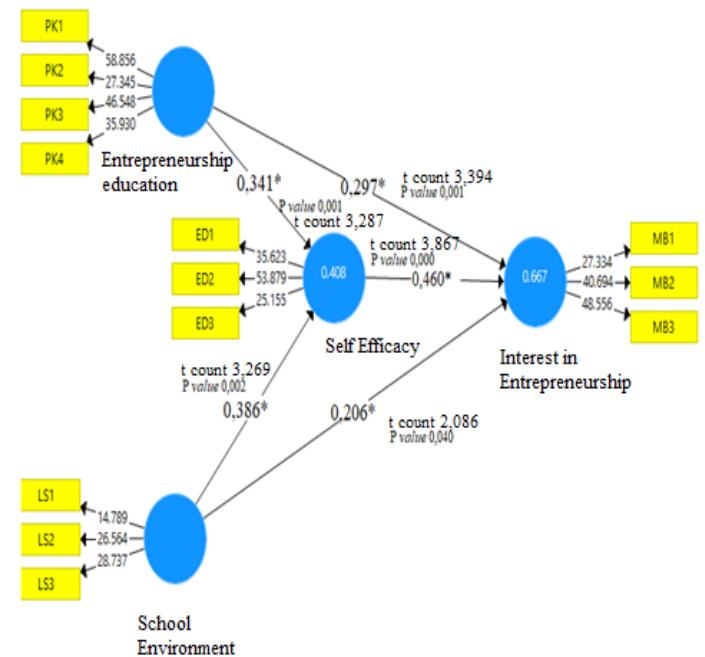


Figure 2. Path Coefficient Measurement Model

Changes in the value of R-Square can be used to explain the effect of certain exogenous latent variables on endogenous latent variables whether they have a substantive effect. The results of the R-Square test in this study are presented in Table 4

Table 4. R-Square Tes Results

	R Square	R Adjusted
Self Efficacy	0,408	0,393
Interest in Entrepreneurship	0,667	0,655

Based on the results of the R-square test shown in table 4, it shows that the self-efficacy variable R adjusted value is less than 0.67 (0.393 < 0.67), it can be concluded that the model is moderate. The value of 0.393 indicates that 39.3% of self-efficacy can be explained by the variables of entrepreneurship education and school environment while the remaining 60.7% is explained by other factors outside the research model. The variable of interest in entrepreneurship has an R-Adjusted value of less than 0.67 (0.655 < 0.67), so it is concluded that the model is moderate. The value of 0.655 indicates that 65.5% of the variables of interest in entrepreneurship can be explained by the variables of entrepreneurship education, school environment, and self-efficacy, while the remaining 34.5% is influenced by other factors outside

F-square test was conducted to see the goodness of the model. The results of the F-square analysis are presented in table 5.

Table 5. F-Square Test

	Entrepreneurship education	School environment	Self Efficacy	Interest in Entrepreneurship
Entrepreneurship education			0,139	0,165
School environment			0,178	0,076
Self Efficacy				0,377

Based on table 5, the results of the F-Square test show that the self-efficacy variable on the entrepreneurial interest variable has an F^2 of 0.377, which means it has a strong effect. The variable of entrepreneurship education on self-efficacy has an F^2 of 0.139, which means it is weak. The variable of entrepreneurship education on the variable of

interest in entrepreneurship is 0.165 which means moderate. The school environment variable on the self-efficacy variable has an F^2 of 0.178 which means moderate and the school environment variable on the entrepreneurial interest variable has an F^2 of 0.076 which means it is weak.

Table 6. Path Coefficient Test Results

Path	Original Sample (O)	Sample Mean (M)	Standard Deviation (STDEV)	T statistik	T Table	P Values
Entrepreneurship Education → Self Efficacy	0,341	0,338	0,104	3,287	1,96	0,001
Entrepreneurship Education → Interest in entrepreneurship	0,297	0,298	0,088	3,394	1,96	0,001
School Environment → Self efficacy	0,386	0,396	0,118	3,269	1,96	0,002
School Environment → Interest in entrepreneurship	0,206	0,220	0,099	2,086	1,96	0,040
Self Efficacy → Interest in entrepreneurship	0,460	0,442	0,119	3,867	1,96	0,000

Based on the results of the Path Coefficients test in table 5 shows that:

H 1A: The entrepreneurship education variable has a value of t count $>$ t table ($3.287 > 1.96$) and a sig. ($0.001 < 0.05$) which means that partially entrepreneurship education has a significant positive effect on self-efficacy.

H 1B: The entrepreneurship education variable has a value of t count $>$ t table ($3.394 > 1.96$) and a sig. ($0.001 < 0.05$) which b partially Entrepreneurship education has a significant positive effect on interest in entrepreneurship.

H 2A: The school environment variable has a value of t count $>$ t table ($3.269 > 1.96$) and a sig. ($0.002 < 0.05$) which means that partially the school environment has a significant positive effect on self-efficacy.

H 2B: The school environment variable has a value of t count $>$ t table ($2.086 > 1.96$) and a sig. ($0.040 < 0.05$) which means that partially the school environment has a significant positive influence on interest in entrepreneurship.

H 3: The self-efficacy variable has a value of t count $>$ t table ($3.867 > 1.96$) and a sig. ($0.000 < 0.05$) which means that partial self-efficacy has a significant positive effect on interest in entrepreneurship.

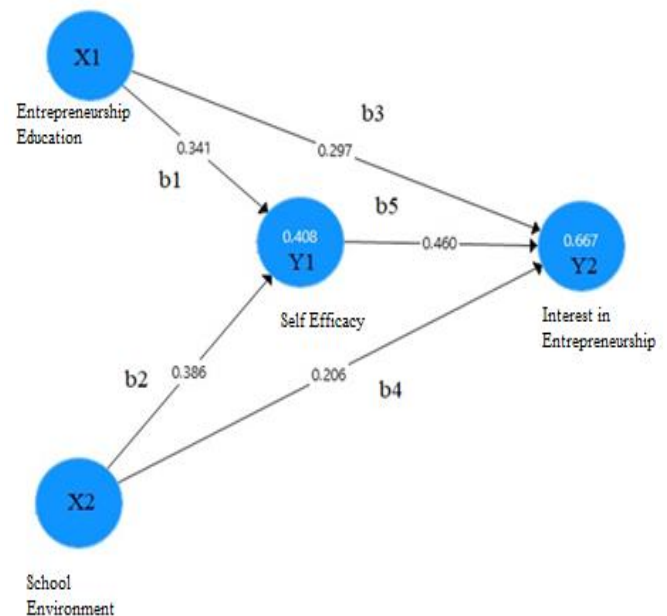


Figure 3. Mediation Variable Testing Model

Table 7 Indirect Effect Test

	Original Sample (O)	Sample Mean (M)	Standard Deviation (STDEV)	T Statistics (O/STDEV)	P Values
Entrepreneurship Education -> Self Efficacy -> Interest in Entrepreneurship	0,157	0,146	0,051	3,059	0,003
School Environment -> Self Efficacy -> Interest in Entrepreneurship	0,178	0,177	0,077	2,297	0,024

Table 8 Test Results of Direct and Indirect Effects

Interpretation	Direct Effect (DE)	Indirect Effect (IE)	IE > DE
ED mediates PK to MB	0,088	0,157	Accepted
ED mediates LS to MB	0,042	0,178	Accepted

Based on the test results of indirect and direct effects in table 7 and table 8 show that:

H 4A: Entrepreneurship education variable has a value of t count > t table (3,059 > 1.96) and the value of Sig. (0.003 < 0.05) and indirect effect (0.157) > direct effect (0.088) which means partially entrepreneurship education has a significant positive influence on entrepreneurial interest through self-efficacy variables.

H 4B: The school environment variable has a value of t count < t table (2.297 < 1.96) and the value of Sig. (0.024 < 0.05) and indirect effect (0.178) > direct effect (0.042) which means that partially the school environment has a significant positive influence on entrepreneurial interest through self-efficacy variables.

Evaluation of Goodness of Fit Index (GoF) and Predictive Relevance (Q²)

The Goodness of Fit Index (GoF) test is to validate the combined performance of the measurement model (outer model) and structural model (inner model). The test of predictive relevance (Q²) is useful for validating the model.

Table 9. GoF dan Q² Test Result

Measurement Type	GoF	Q ²
The calculation results	0,557	0,803
The calculation results	Large	Good

The GoF value obtained is 0.557 (large), meaning that the model has a high ability to explain empirical data, so overall it can be said that the research model is valid. The Q² value obtained is 0.803 (above 0) meaning that the structural model obtained has a good relevance prediction.

V. CONCLUSION AND SUGGESTION

Conclusion

1. Entrepreneurship education has a significant positive effect on self-efficacy and on interest in entrepreneurship
2. The school environment has a significant positive effect on self-efficacy and on interest in entrepreneurship
3. Self-efficacy has a significant positive effect on interest in entrepreneurship

4. Self-efficacy significantly mediates variable entrepreneurship education and variable school environment on interest in entrepreneurship

Suggestion

1. Entrepreneurship learning materials in schools need to be emphasized on understanding innovative ideas, environmental assessment, financial preparation, business plans, and market research. An interesting learning process can be done in a combination of various ways, for example, problem-based learning methods, role-playing, bringing in successful entrepreneurs, and making visits to successful business ventures.
2. Schools need to improve the school environment with an entrepreneurial feel through school programs to improve students' skills, for example by opening entrepreneurial business units such as school cooperatives and apprenticeship programs in MSMEs that become school partners.
3. Improving the self-development of educators and education staff through training related to the cultivation of entrepreneurial spirit and behavior.
4. Future research is expected to be able to dig deeper into the variables that influence interest in entrepreneurship, such as family environment, motivation, and gender.

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