THE EFFECT OF NEED FOR ACHIEVEMENT AND SELF-EFFICACY ON ENTREPRENEURIAL INTENTION

Shafila Tasya Kamila Putri[1]**,Henry Eryanto**[2]**, Roni Faslah**[3]
[1]*Jakarta State University, Indonesia*
[2]*Jakarta State University, Indonesia*
[3]*Jakarta State University, Indonesia*

Article Info

Abstract

The purpose of this study was to determine the effect of the need for achievement and self-efficacy on entrepreneurial intention amongst students of the Faculty of Economics in Jakarta State University class 2017 and 2018. This study employs a quantitative method using the questionnaire instrument. Data is obtained from 216 respondents comprising the class of 2017 and 2018 students. The model in this study uses a path analysis model. The analytical technique used in this study uses the SEM (Structural Equation Modeling) model which is operated with the SmartPLS version 3.0 program for hypothesis testing. This study found that the need for achievement and self-efficacy positively and significantly affected entrepreneurial intention. These results showed that students will have high entrepreneurial intentions if they have a strong drive in individual characteristics to try hard and perform various tasks as well as possible in order to fulfill needs by setting goals and having individual confidence in their abilities to do various jobs effectively . persistent in order to achieve the goals that have been planned and can complete them.

Abstract

This study aims to determine the effect of need for achievement and self-efficacy on entrepreneurial intentions in students of the Faculty of Economics, State University of Jakarta, class of 2017 and 2018. This study uses a quantitative method with a questionnaire instrument. Data were obtained from 216 respondents consisting of students from the 2017 and 2018 batches. The model in this study uses a path analysis model. The analysis technique used in this study uses the SEM (Structural Equation Modeling) model which is operated with the SmartPLS version 3.0 program for hypothesis testing. This study found that the need for achievement and self-efficacy had a positive and significant effect on entrepreneurial intentions.

How to Cite:

INTRODUCTION

One of the determinants of population quality is the level of education. Higher education plays an important role in instilling the potential of its students in accordance with existing competencies, so that the needs of the workforce can be met properly. Students are an elite group of people who are expected to change the image of the nation for the better and make the country developed and prosperous in the future. Students have also been provided with higher education that has been obtained while in college, so it is expected that students must participate in the nation's economic development.

In the three-year period from 2019 to 2021, unemployment for university graduates continues to increase. Job creation that can be applied will certainly help create jobs and absorb graduates. The standard of progress of a country is influenced by the quantity of its entrepreneurs. Based on the 2019 Indonesia Global Entrepreneurship Index report, Indonesia is ranked 75th out of 137 countries with a number reaching 3.47 percent of the total population ratio. According to the Director of Learning and Student Affairs, Aris Junaidi revealed that the number of entrepreneurs in Indonesia in general is still small compared to other countries (kumparan, 2021).

So with this, universities need to build motivation and confidence in their students, by changing the stigma of job seekers into job makers or job creators can be a resolution in forming graduates who are independent, have character, always want to excel, and never give up. Observing the current conditions, being a job creator is the right alternative to looking for a job after graduating from college.

The cause of too many university graduates who are currently underemployed or unemployed is because they are still oriented to the old stigma and think that university graduates' qualifications should allow them to get high-paying jobs. This is a big problem because at a better level of education it is difficult to get a job. So the researchers conducted a pre-research to find out whether there are factors that most influence the entrepreneurial intentions of students at the Faculty of Economics, State University of Jakarta.

Influencing factors	Ye	Not
1. *Need for Achievements*	90	10%
2. *Self-efficacy*	90	10%
3. Subjective Norms	40	60%
4. *Risk Taking Propensity*	40	60%

Based on the pre-research data above, both the Need for Achievement and Self-efficacy variables have a high percentage with the answer "Yes" at 90% and "No" at 10%. Furthermore, the Subjective Norm and Risk Taking Propensity variables have the same percentage, namely for the answer "Yes" by 40% and "No" by 60%. The two variables, namely Need for Achievement and Self-efficacy are factors that influence entrepreneurial intentions.

It can be seen that these things are certainly relevant for research variables and entrepreneurial intentions with a high ratio, it is necessary to conduct research to determine the factors that have an influence on entrepreneurial intentions in students. This research is related to the development of an entrepreneurial spirit. With this

research, students can instill the values needed to assist in developing intentions in entrepreneurship.

So researchers are encouraged to conduct research with the title, **"The Effect of Need for Achievement and Self-efficacy on Entrepreneurial Intentions of Students of the Faculty of Economics, State University of Jakarta"**.

THEORETICAL BASIS

Entrepreneurial intention is a strong concern in the individual towards issues related to entrepreneurship(Rahayu, 2018). This theory is in line withNdofirepi (2020), who defined entrepreneurial intention as a strong sign of entrepreneurial potential. In addition, according toVernia (2018)Entrepreneurial intention is a person's desire or intention to start a business independently and respond seriously.

*Need for achievement*or the need for achievement is also described as the desire to do something better, to solve problems or to master complex jobs(Ali et al., 2017). Need for achievement as a desire to do the tasks that are responsible for and complete them effectively in order to achieve the specified targets(Primandaru, 2017). According to Ustha (2018), the need for achievement is a person's desire to make something or work better, or faster than other people's achievements or past achievements.

*Self-efficacy*or self-efficacy is a benchmark of personal value or as an individual assessment of the abilities or competencies they have in order to carry out an action on the planned goals.(Puspitaningtyas, 2017). owned to carry out an action against the planned goals. According to(Astuti et al., 2016)Self-efficacy is the belief that an individual has the ability to perform tasks, achieve goals, or can get rid of obstacles. According toAslam & Hasnu (2016), self-efficacy is a person's assessment of being able to perform certain activities; it's belief in one's abilities.

From the theoretical literacy above, the researcher formulates the following hypothesis:
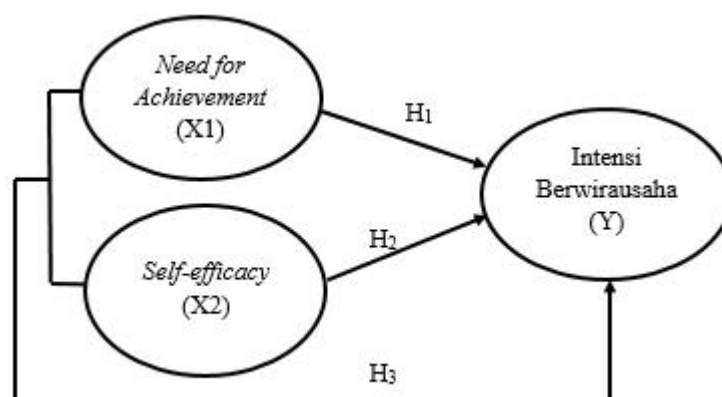
METHOD

Researchers used a quantitative approach as a method to solve problems in this study. According toSugiyono (2018), quantitative research method is a research method utilizing a particular population or test in which various information uses research instruments, the investigation of information is quantitative or measurable. This research uses quantitative research. The measuring instrument in this quantitative

research is in the form of a questionnaire, the data obtained in the form of answers from students of the Faculty of Economics, State University of Jakarta.

Sampling using probability sampling with proportional random sampling. Based on the affordable population, the authors use the Slovin formula as a guide for calculating the sample. researchers used an error rate of 0.05 or 5%. The number of students who must be sampled is 216 students of the Faculty of Economics, State University of Jakarta. The instrument uses a Likert scale with intervals of 1-5 to measure the level of agreement of the respondents. 1 = strongly disagree, 2 = disagree, 3 = undecided, 4 = somewhat agree, 5 = strongly agree.

Testing Research Instrument

The research method that the researcher uses is a survey. According to Duli (2019), survey research is a research method used to solve problems in accordance with the questions asked or in accordance with the problems that have been considered. Survey research is conducted to assess needs and set goals, or to determine whether certain goals have been met. Researchers used the Partial Least Square (PLS) method for testing in this study. In operating the research data, the researcher uses Smart PLS 3.0.

Researchers used Smart PLS 3.0. as an application to test hypotheses using the structural equation model suitability analysis (SEM) technique. SEM includes statistical techniques used to create and test statistical models, most of which are causal modeling or influence-relationship models.(Marliana, 2020).

Table 1 Research Matrix

Variable	Conceptual Definition	Indicator	Source of
Entrepreneurial Intention	Entrepreneurial intention is a strong desire in a person to become an entrepreneur by seeking various ways and planning to make it happen in the future.	*Desire* *Self-prediction* *Behavior Intention*	(Anggraeni & Nurcaya, 2016; Handaru et al., 2015; Khalid, 2018; Purusottama, 2019; Zulhawati et al., 2019)
Need for Achievements	*Need for achievement* is a strong drive in individual characteristics to try hard and do various tasks as well as possible to meet needs by setting goals	Tanggung jawab Menyukai tantangan pekerjaan Mencapai hasil yang lebih baik dari sebelumnya Ingin lebih baik dari orang lain	(Maharani et al., 2020; Nurrofi, 2016; Sargani et al., 2019; Sukmaningrum & Rahardjo, 2017; Wahyu Pril Ranto, 2017)
Self-efficacy	*Self-efficacy* is an individual's belief in	*Magnitude* *Generality*	(Aini et al., 2015; BINDA

	his or her inner ability to do various jobs persistently in order to achieve the planned goals and be able to complete them as expected.	*Strength*	KHARISMARINA WIDOWATI, 2020; Narendra, 2017; Sangwan & Herrmann, 2020; Sunaryo, 2017)

RESULTS AND DISCUSSION
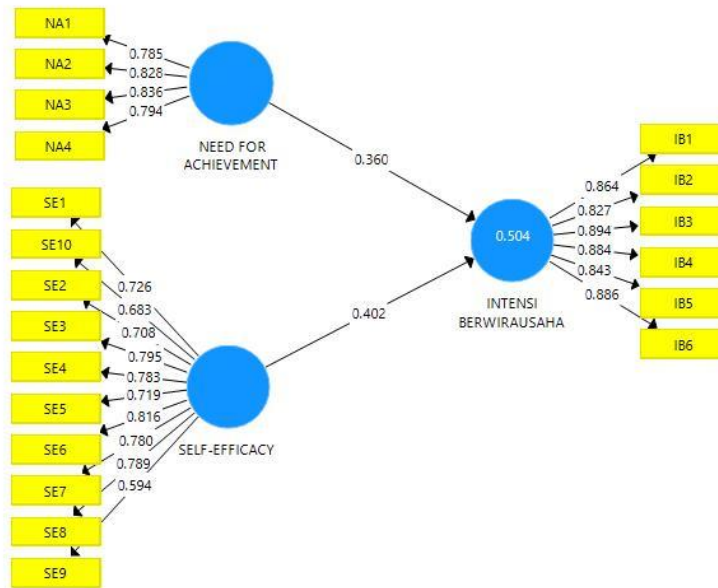
Convergent Validity

Table 2 Outer Loading Factor

	Entrepreneurial Intention	Need for Achievement	Self-efficacy
IB1	**0.864**	0.561	0.640
IB2	**0.827**	0.431	0.461
IB3	**0.894**	0.604	0.574
IB4	**0.884**	0.652	0.594
IB5	**0.843**	0.500	0.576
IB6	**0.886**	0.622	0.596
NA1	0.561	**0.785**	0.562
NA2	0.477	**0.828**	0.672
NA3	0.557	**0.836**	0.575
NA4	0.521	**0.794**	0.578
SE1	0.440	0.593	**0.726**
SE2	0.444	0.492	0.683
SE3	0.453	0.568	**0.708**
SE4	0.525	0.568	**0.795**
SE5	0.536	0.581	**0.783**
SE6	0.479	0.585	**0.719**
SE7	0.562	0.555	**0.816**
SE8	0.536	0.482	**0.780**
SE9	0.513	0.584	**0.789**
SE10	0.431	0.435	0.594

In this validity test, the measurement model uses reflective indicators based on the value of the cross loading factor. With the value of the outer loading on the indicator variable must be greater than the value of the outer loading on the indicator variable in other constructs, then the

measurement model can be said to be good. Based on the data in table 2, the indicators on the discriminant validity test that can be declared valid are having a value above 0.7. So the self-efficacy indicator strength variable on items SE9 and SE10 with a value below 0.7 then the item is declared invalid.

Composite Reliability

Table 3 Composite Reliability

	Composite Reliability
NA	0.948
SE	0.885
IB	0.924

This reliability test is used as a measuring tool for a construct seen in the coefficient of the latent variable. Reliability test is carried out to find out that a construct has been declared very reliable in accordance with the minimum value limit that has been set. Based on the data in table 3, the value for composite reliability shows a value above 0.7. So it can be concluded that all constructs have a high reliability value and are reliable.

Cronbach's Alpha

Table 4 Cronbach's Alpha

	Cronbach's Alpha
Need for Achievements	0.934
Self-efficacy	0.827
Entrepreneurial Intention	0.908

This reliability test was carried out to strengthen the results of composite reliability. Based on the data in table 4,The variables in the research that were carried out consisted of Entrepreneurial Intentions, Need for Achievement, and Self-efficacy that met the predetermined reliability requirements. The Entrepreneurial Intention variable has the highest Cronbach's alpha value of 0.934.

Inner Model Analysis

R-Square (R2)

Table 5 Calculation Results R-Square

	R Square	R Square Adjusted
Entrepreneurial Intention	0.504	0.500

If the value of $R^2 > 0.75$ then the influence between constructs is considered high, whereas if $R^2 < 0.50$, it can be interpreted that the construct is of low value. Based on the data in table 5, it can be seen that the Entrepreneurial Intention variable indicates a low value or it can be interpreted that the influence between the independent variables on the dependent is moderate because $R^2 \geq 0.50$ is 0.504.

F-Square (F2)

Table 6 Test Results F-Square

	Entrepreneurial Intention
Need for Achievements	0.121
Self-efficacy	0.151

This test was conducted to determine how big the effect size of the endogenous latent variable on the exogenous latent variable. If the value of f-square ≥ 0.35 then it can be interpreted that the predictor of the latent variable has a strong influence. But if it's worth ≥ 0.15 then has a medium effect, and if it is ≥ 0.02 then has a low effect.

Based on table 6, it can be seen that the need for achievement variable has a weak influence because its value is 0.121 or less than 0.15. While the self-efficacy variable can be stated to have a moderate effect because it produces an F-Square value of 0.151 or more than 0.15 and less than 0.35.

Variance Inflation Factor (VIF)

Table 7 Test Results VIF

VIF					
	IB		NA		SE
IB1	2,821	NA1	1,610	SE1	2,194
IB2	2,533	NA2	1,996	SE2	2,159
IB3	3,602	NA3	1,964	SE3	2,246
IB4	3,554	NA4	1,703	SE4	2,314
IB5	2,606			SE5	1,887
IB6	3,464			SE6	2,447
				SE7	2,182
				SE8	2,361
				SE9	1,548
				SE10	1,719

Based on table 7, it can be seen that the research model used in this research model, namely the need for achievement, self-efficacy and entrepreneurial intentions, does not have a problem with collinearity because all constructs produce values greater than 0.2 and more than 5 ,00.

Hypothesis Testing
Path Coefficients

Table 8 Path Coefficients Test Results

OriginalSample (O)	Sample Mean (M)	Standard Deviation (STDEV)	T Statistics (|O/STDEV|)	P Values
0.360	0.360	0.111	3,248	0.001
0.402	0.401	0.090	4,476	0.000

To test the hypothesis, the t-statistic value for the alpha value or the inaccuracy limit of 5% or 0.005 is used for the t-table value of 1.96. Therefore, the criteria for accepting or rejecting the hypothesis if Ha is accepted and H0 is rejected if the p-value is less than 0.005 and the t-statistic > 1.96.

H₁: Need for Achievement has a positive and significant effect on Entrepreneurial Intentions

Based on the results of the hypothesis test in the table above, the results show 0.360 (original sample), 3.248 (t-statistic) > 1.96 and p-values 0.001 < 0.005. So it can be concluded that hypothesis 1 has a positive influence on entrepreneurial intentions.

H₂: Self-efficacy has a positive and significant effect on Entrepreneurial Intentions

Based on the results of the hypothesis test in the table above, the results show 0.402 (original sample), 4.476 (t-statistic) > 1.96 and p-values 0.000 < 0.005. So it can be concluded that hypothesis 1 has a positive influence on entrepreneurial intentions.

H₃: Need for Achievement and Self-efficacy have a positive and significant effect on Entrepreneurial Intentions

The calculation for the third hypothesis uses the F test. By comparing the calculated F value with the F table. If F count > F table, it can be said that the hypothesis is accepted, but otherwise the hypothesis is not accepted. Based on the F test that has been carried out, the calculated F results are 108.22 > F table which is 3.038. So it is stated that Need for Achievement and Self-efficacy together have a positive influence on Entrepreneurial Intentions.

CONCLUSIONS

Based on the study of literature and the results of research that has been carried out by researchers. The following is a discussion of each hypothesis in this study:

1. The first hypothesis suggests from the results of the analysis that the need for achievement has a positive and significant effect on entrepreneurial intentions. Based on the results of the path coefficient test, it is known that the original sample result is 0.360, while the T statistic is 3.248 > 1.96 then the P value is 0.001 < 0.05. So based on the value obtained, it can be concluded that the need for achievement of students of the Faculty of Economics, State University of Jakarta has a positive and significant effect on entrepreneurial intentions, it can be concluded that H1 in this study is accepted.

2. The second hypothesis has a positive and significant effect on entrepreneurial intentions. Based on the results of the path coefficient test, it is known that the original sample results are 0.402, while the T statistic results are 4.476 > 1.96 then the P value results are 0.00 < 0.05. So based on the values obtained, it can be concluded that the self-efficacy of the students of the Faculty of Economics, State University of Jakarta, has a positive and significant effect on entrepreneurial intentions, it can be concluded that H1 in this study is accepted.

3. The third hypothesis aims to examine the effect of need for achievement and self-efficacy on entrepreneurial intentions. The result of F arithmetic is 108.22 > F table which is 3.038. Then it is stated that the need for achievement and self-efficacy together have a positive and significant influence on entrepreneurial intentions. So it can be concluded that H3 in this study is accepted.

In increasing the intention in entrepreneurship, especially in self-prediction behavior will be reflected in one's intuition, it is hoped that students are able to prepare all careful planning in the future, then on the variable need for achievement or the need for achievement for indicators like challenges, it is expected that students willing to face the new problems that will occur with a firm heart. Furthermore, in the self-efficacy variable, it is expected that students are confident in applying various ways that vary in the work they are burdened with.

Researchers have attempted and carried out research in accordance with applicable scientific procedures, although there are still some limitations experienced and can be used as various factors that can be reconsidered for future researchers to further refine their research.

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