

## The Role of Perceived Behavior Control in Mediating Entrepreneurship Education and Entrepreneurial Intention

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**ABSTRACT:** Indonesia has witnessed a rise in the number of educated unemployed individuals entering the job market since 2020. This study examines the impact of an Entrepreneurship Education Program on entrepreneurial intentions among millennials, with perceived behavior as a mediating variable. The research was conducted in six provinces in Indonesia, specifically on the island of Java, with 557 participants responding to the questionnaires. The study found that the Entrepreneurship Education Program (both Entrepreneurship Education Learning and Entrepreneurship Education Inspiration Tools) had a significant positive effect on entrepreneurial intentions. Additionally, perceived behavior partially mediated this effect. The program enhanced respondents' understanding of various aspects of entrepreneurship, such as attitudes, values, motivation, actions, and practical management skills needed to start a business. Overall, the findings highlight the importance of entrepreneurship education programs in fostering entrepreneurial intentions, especially among the millennial generation.

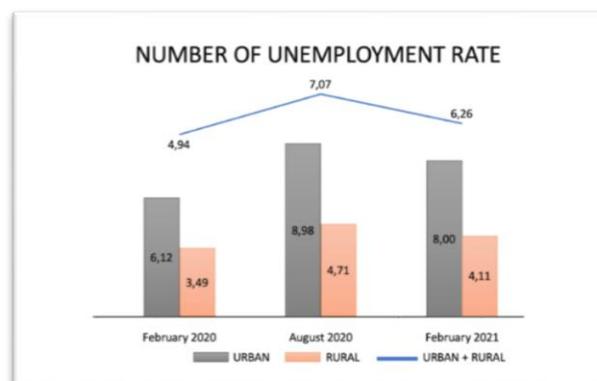
**KEYWORDS :** Entrepreneurship Education Learning; Entrepreneurship Education Inspiration Tools; Entrepreneurial Intention; Perceived Behavioral Control, Millennials

### I. INTRODUCTION

Millennials were born in the midst of economic, political and social turmoil that impacted their characteristics for prioritizing freedom and having more courage to express themselves. They always want things to be fast-paced and dynamic. Compared to previous generations, millennials are more open-minded, courageous, and easily criticize things that are not in line with their thinking. Millennials are not afraid to resign from their workplace and look for a company that provides more benefits and convenience than their current job. The primary consideration is a fundamental of the existence of a balanced work life, where work and personal life have a balanced proportion (Ratnaningsih & Prasetyo, 2017).

On the other hand, according to Mutiarasari's research (2018), Indonesia has faced a crisis since 1996 which has had an impact on the economy and people's welfare. Along with the increasing number of people who are in the work-ready age range, the possibility of employment is also increasingly scarce. Job opportunities have become a scourge for people who are unable to compete in the era of the Asean Economic Community which began in 2015. As a result, the unemployment rate in Indonesia is increasing, especially in big cities. This is due to the intense competition between workers who are no longer national in scale, but the emergence of job competition with foreign nationals.

**Figure 1.1** Percentage Number of Unemployment based on Domicile of Origin



Source: bps.go.id

## **The Role of Perceived Behavior Control in Mediating Entrepreneurship Education and Entrepreneurial Intention**

Azwar (2013) stated that real action was needed to anticipate the unemployment figure. Supporting the phenomenon, the government is also active in promoting entrepreneurial education even from the early stages of education to college. Encouraging the creation of student interest in entrepreneurship can be realized when students have the perception that they are capable of conducting activities and everything that is needed to be entrepreneur and realize the enterprise they have planned. (Ahmed, et al; 2020). Referring to the concept of the Theory of Planned Behavior (Fishbein and Ajzen, 2010), then the perception that the scholars have is included in Perceived Behavioural Control. Perceptions can be formed when students are facilitated with Entrepreneurship Education through several components including Learning Programmes and Inspiration Tools.

## **II. LITERATURE REVIEW**

### **Theory of Planned Behavior**

One of the most important social psychology theories is the Theory of Planned Behavior (TPB), which examines the relationship between personal opinions and a person's behavior. The concept of planned behavior was first proposed by renowned social psychology researcher Ajzen in 1985. TPB is a development of TRA (Theory of Reason Action) after changing the older one known as TRA. TPB is a behavioral theory that looks at the factors that influence how people behave. The foundation is the assumption that since most activities are planned according to various scenarios, human behavior can be predicted. The significance of the TPB model is demonstrated by the fact that it uses scientific methods to investigate human behavior.

### **Perceived Behavioral Control**

The extent to which a person fulfills the necessary skills, resources, and other prerequisites to perform certain actions is a behavioral control variable (A, Abdulrab-Mamary et al., 2020). A person's capacity to act as an indicator of current behavior and anticipate future behavior increases with their level of behavioral control. PBC can be applied to behavior prediction in a way that accurately describes behavior. Results from previous studies on the relationship between PBC and user intentions are inconclusive. PBC is usually not a good predictor of users' own behavioral intentions or opinions (Hansen et al., 2018).

### **Entrepreneurship Education**

In addition to instructing students on how to launch and manage a company, entrepreneurship education fosters innovative thinking, creative problem solving, and strong feelings of self-esteem and discipline. The Entrepreneurship Education Consortium (2013) asserts that the goal of entrepreneurship education is to provide graduates with the entrepreneurial skills necessary to advance their country's economy in the long term. According to Pulka, Aminu, and Rikwentshe (2015), learning about entrepreneurship helps people develop their entrepreneurial knowledge, abilities, attitudes, and behaviors. Most graduates of entrepreneurship programs have creative and innovative abilities and the capacity to see possibilities and exploit them by starting new businesses (Gerba, 2012). Effective entrepreneurship education is viewed by Fayolle and Klandt (2006) as a three-dimensional notion related to behavior, mindset, and the development of specific situations. Creating special conditions is the third aspect of entrepreneurship education that emphasizes its impact on the emergence of fresh concepts and new businesses, Fayolle & Klandt (2006).

### **Entrepreneurial Intention**

According to Singh and Onahring (2019), EI is the act of intending. Ajzen (1985) defines intention as a choice to do or refrain from doing an activity. EI is one of the most important variables in the birth, growth, and development of entrepreneurship (Aliyu et al., 2015). (Aliyu et al., 2015). It promotes independence and encourages initiative. Wahidmurni, Baihaqi, and Alferaih (2019) & 2022 claim that deciding to pursue the entrepreneurial profession is often influenced by one's desire to establish a company. EI can be summarized as the desire to go into business for oneself or work for oneself. Having entrepreneurial aspirations also means having personal inclinations that can result in business development.

### **Entrepreneurship Education dan Perceived Behavior Control**

Entrepreneurship Education facilitates students to be exposed to a variety of guest lectures, seminars, and even mentoring with mentors. Ahmad, et al (2020) explained that a series of Entrepreneurship Education activities can trigger changes in students' mindset and emotions. Then the following hypothesis can be formulated:

H1 : Entrepreneurship Education Learning has a significant effect on Entrepreneurial Intention

H2 : Entrepreneurship Education Innspiration Tools has a significant effect on Entrepreneurial Intention.

### **Perceived Behavior Control dan Entrepreneurship Intention**

Based on Theory of Planned Behavior, Fishbein and Ajzen, 2010 state that perceived behavioral control supports the formation of a behavior. Based on the above statement, the following hypothesis can be drawn:

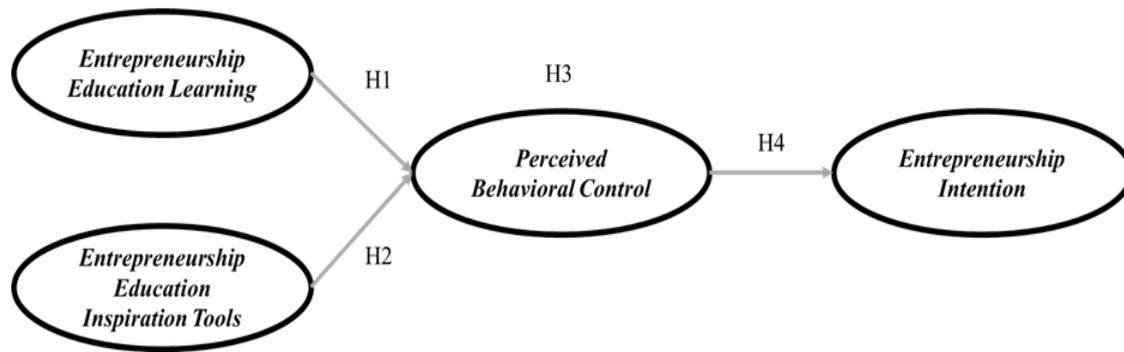
H3 : Entrepreneurship Education Learning (a) and Entrepreneurship Education Innspiration Tools (b) through Perceived Behavioral Control to Entrepreneurial Intention.

H4 : Perceived Behavioral Control affects Entrepreneurial Intention.

# The Role of Perceived Behavior Control in Mediating Entrepreneurship Education and Entrepreneurial Intention

## RESEARCH MODEL

Figure 2.1 Research Model (modification from Ahmed et al, 2020)



### III. METHODS AND MATERIALS

#### Sampling, Procedure, and Data Collection

The research was conducted by distributing questionnaires offline and online. Offline, questionnaires were distributed to several private high schools in Surabaya with a total of 250 questionnaires and 171 questionnaires returned. To expand the distribution of questionnaires, researchers also conducted an online survey to reach respondents located outside Surabaya. The survey was conducted using a google form that was distributed through paid advertising media (Facebook Ads). By using Facebook Ads, researchers can determine target respondents according to the intended location and respondents who match the criteria. During one week of distribution (April 30, 2023 to May 5, 2023), a total of 452 questionnaires have reached six provinces in Java and as many as 386 questionnaires can be processed for data processing, the rest have not met the screening criteria set by the researcher.

#### Measurements

Interval scale categorization is calculated by the formula:

Interval = (Maximum Value - Minimum Value) / Many Classes, then the following calculation is obtained:

Interval = (5 - 1) / 5 = 0.8. The scale in this study uses a Likert scale with a range of 1 to 5 with the following intervals:

Table 3.1 Intervals Range

Intervals Range	Criteria
1,00 – 1,80	Strongly Disagree
1,81 – 2,60	Disagree
2,61 – 3,40	Neutral
3,41 – 4,20	Agree
4,21 – 5,00	Strongly Agree

Source: Sinambela, 2014: 190

The indicators used for the variables in the study are presented in the table below:

Table 3.2 Measurements

Variable	Factor
Entrepreneurship Education Learning (Ahmed, et al; 2020)	Attitude as an entrepreneur Values as an entrepreneur Motivation as an entrepreneur Actions I should take to start a business Practical management skills for starting a business
Entrepreneurship Education Inspiration Tools (Cui, et al; 2021)	School teachers who teach Entrepreneurship Out-of-school teachers who teach Entrepreneurship Idolized entrepreneur My classmates Entrepreneurship subject/extracurricular
Perceived Behavior Control (Maheswari & Kha; 2022)	Starting a business is easy Making sure it works is easy

## The Role of Perceived Behavior Control in Mediating Entrepreneurship Education and Entrepreneurial Intention

	Ready to start a viable business Control the process of establishing a new venture Know the practical things needed to start a business Have a high probability of success if starting a business Know how to develop an entrepreneurial project
Entrepreneurial Intention (Ahmed, et al; 2020)	Ready to do anything to become an entrepreneur Professional goal is to become an entrepreneur Make every effort to start my own business Determined to create a business in the future Very serious thoughts about starting a business

### Analytical Technique

The data analysis technique used in this research is Structural Equation Modeling (SEM) PLS with the Smart-PLS program to carry out the Measurement Model Fit Test (Validity and Reability) and Structural Model Fit Test. Convergent validity test can be seen from the factor loading value which is  $> 0.70$  and the average variance extracted value  $> 0.50$ . Meanwhile, discriminant validity can be assessed based on the cross loading of measurements with their constructs where a measurement has a value  $> 0.7$ .

Reliability test in SEM-PLS is seen using two methods, namely, Cronbach's alpha and composite reliability. Hair et al. (2019: 775-776) wrote that the minimum value that must be achieved by both methods is 0.7. Abdillah and Hartono (2015: 197) The structural model in PLS is evaluated using R2, if the higher the value, the better the proposed research model. The value of the path coefficient or t-values i to determine the significance of the influence between variables is indicated by the t-statistic value  $> 1.96$ . In other words, if the effect of one variable on another has a t-count  $> 1.96$ , it is said that the effect is significant so that the proposed hypothesis is accepted.

### Convergent Validity Test

**Table 3.3** Convergent Test Results

Factor	Outer Loading	AVE
Entrepreneurship Education Learning		
EEP1	0,878	0,737
EEP2	0,860	
EEP3	0,858	
EEP4	0,859	
EEP5	0,837	
Entrepreneurship Education Inspiration Tools		
EIT1	0,879	0,607
EIT2	0,910	
EIT3	0,904	
EIT4	0,894	
EIT5	0,911	
Perceived Behavior Control		
PBC1	0,760	0,699
PBC2	0,775	
PBC3	0,859	
PBC4	0,892	
PBC5	0,827	
PBC6	0,861	
PBC7	0,872	

## The Role of Perceived Behavior Control in Mediating Entrepreneurship Education and Entrepreneurial Intention

### Validity Discriminant Test

**Table 3.4** Validity Discriminant Test Result (Cross Loading)

	Entrepreneurship Education Learning	Entrepreneurial Intention	Entrepreneurship Education Inspiration Tools	Perceived Behavior Control
EEP1	<b>0.878</b>			
EEP2	<b>0.860</b>			
EEP3	<b>0.858</b>			
EEP4	<b>0.859</b>			
EEP5	<b>0.837</b>			
EI1		<b>0.879</b>		
EI2		<b>0.910</b>		
EI3		<b>0.904</b>		
EI4		<b>0.894</b>		
EI5		<b>0.911</b>		
EIT1			<b>0.823</b>	
EIT2			<b>0.744</b>	
EIT3			<b>0.773</b>	
EIT4			<b>0.684</b>	
EIT5			<b>0.859</b>	
PBC1				<b>0.760</b>
PBC2				<b>0.775</b>
PBC3				<b>0.859</b>
PBC4				<b>0.892</b>
PBC5				<b>0.827</b>
PBC6				<b>0.861</b>
PBC7				<b>0.872</b>

### Reability Test

**Table 3.5** Reability Test Result (Cronbach's Alpha dan Composite Reliability)

Variable	Cronbach's Alpha	Composite Reliability
Entrepreneurship Education Learning	0.911	0.933
Entrepreneurial Intention	0.941	0.955
Entrepreneurship Education Inspiration Tools	0.837	0.885
Perceived Behavior Control	0.928	0.942

### Structural Model Fit Test

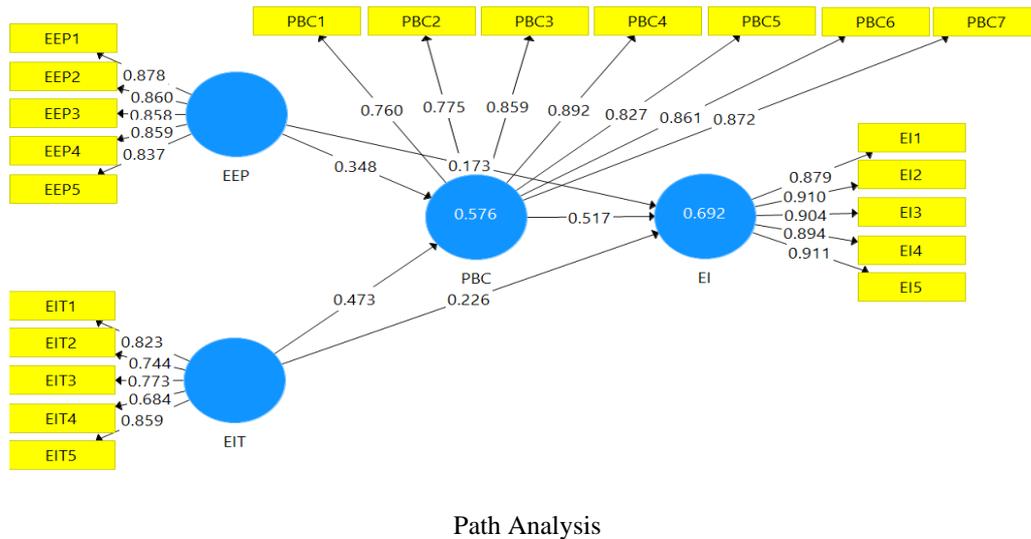
#### R Square Test Result

**Table 3.6** R Square Test Result

Variable	R Square	R Square Adjusted
Entrepreneurial Intention	0.692	0.690
Perceived Behavior Control	0.576	0.575

# The Role of Perceived Behavior Control in Mediating Entrepreneurship Education and Entrepreneurial Intention

## Hypothesis Test Results



**Table 3.7** Hypothesis Test Result

	Original Sample	Sample Mean	T Statistics	P Values
Entrepreneurship Education Learning -> Entrepreneurial Intention	0.173	0.173	3.656	0.000
Entrepreneurship Education Inspiration Tools -> Entrepreneurial Intention	0.226	0.227	4.372	0.000
Entrepreneurship Education Learning -> Perceived Behavior Control	0.348	0.349	6.919	0.000
Entrepreneurship Education Inspiration Tools -> Perceived Behavior Control	0.473	0.475	10.612	0.000
Perceived Behavior Control -> Entrepreneurial Intention	0.517	0.516	12.434	0.000

## IV. FINDINGS

From the process of developing theories and hypotheses that are then tested against the hypotheses proposed in this study, it can be concluded that (1) Entrepreneurship Education Learning has a significant positive effect on Entrepreneurial Intention. The original sample value on H1 is 0.173 with a T statistic value of 3.656 and a P value of 0.000, (2) Entrepreneurship Education Inspiration Tools has a significant positive effect on Entrepreneurial Intention. The original sample value in H2 is 0.226 with a T statistic value of 4.372 and a P value of 0.000, (3) Entrepreneurship Education Learning has a significant positive effect on Entrepreneurial Intention through Perceived Behavior Control. The original sample value in H3 (a) is 0.348 with a T statistic value of 6.919 and a P value of 0.000, (4) Entrepreneurship Education Inspiration Tools has a significant positive effect on Entrepreneurial Intention through Perceived Behavior Control. The original sample value in H3 (b) is 0.473 with a T statistic value of 10.612 and a P value of 0.000, (5) Perceived Behavior Control has a significant positive effect on Entrepreneurial Intention. The original sample value in H4 is 0.517 with a T statistic value of 12.434 and a P value of 0.000.

## V. CONCLUSION

From this study, it can be concluded that Entrepreneurial Intention can be fostered by Entrepreneurship Education Programmes. In Entrepreneurship Education Programmes, there are two factors discussed in this research by considering the benefits of Entrepreneurship Education Learning and Entrepreneurship Education Inspiration Tools. People will get benefits that are directly felt if they follow or have received lessons and insights about entrepreneurship. This can be a practical suggestion for higher education and the government to start instilling the entrepreneurial spirit in more detail since they are at the high school level.

The existence of a program on entrepreneurship can increase respondents' understanding of attitudes as an entrepreneur, values as an entrepreneur, motivation as an entrepreneur, actions that must be taken as an entrepreneur, and practical management skills to start a business. These things can trigger a person's intention in shaping the character of an entrepreneur.

## The Role of Perceived Behavior Control in Mediating Entrepreneurship Education and Entrepreneurial Intention

In addition, the perception of control in behavior that shows the ability to start a business, ensure the business runs easily, readiness to start a feasible business, control over the process of forming a new business, knowledge of the practical things needed to start a business, and confidence if successful in starting a business, can also increase one's enthusiasm to have an entrepreneurial character.

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