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Interest in Entrepreneurial Students Affected by the Social Environment

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Abstract

The social environment is one of the factors a person makes in determining choices in his life, the purpose of this study was to determine the influence of the social environment on students' interest in entrepreneurship. This research methodology is ex post facto with a quantitative approach. Respondents in this study amounted to 55 students who were taken by total sampling technique. Methods of data analysis in research using multiple regression. The results of the study are that the social environment has a significant influence on interest in entrepreneurship, the social environment influences student interest in entrepreneurship by 44%, and 56% is influenced by variables outside this study.

Keywords: Social Environment; Interest in Entrepreneurship

Introduction

Interest in entrepreneurship is closely related to us as social beings who survive in various environments. Interest in entrepreneurship is influenced by various factors including personal factors, environmental factors, and sociological factors (Bygrave & Hofer, 1992). A person's interest is influenced by various rules made in an institution (Efendi, 2020). Yusuf and Efendi (2019) found that interest in entrepreneurship was influenced by entrepreneurship education.

Interest in entrepreneurship is also influenced by environmental factors, where the social environment has an influence that has a good impact on interest in entrepreneurship (Jena, 2020). Research by Nowinski et al (2019) found that the environment has an influence on interest in entrepreneurship. The findings of Bello et al (2018) state that the social environment has a positive influence on interest in entrepreneurship. Meanwhile, research by Schwarz et al (2009) found that the social environment had no impact on asking a student to become an entrepreneur.

Based on the phenomena found, it is known that the social environment has a relationship with interest in entrepreneurship. The purpose of this study was to determine the influence of the social

environment on the interest in entrepreneurship. so that in the future it can contribute to one's decision-making and to the achievement of economic growth.

Entrepreneurial Interest

Interest in entrepreneurship is the desire in a person to try optimally to open a business by obtaining the desired income according to the goal (Yusuf & Erwani, 2019). According to Schumpeter (2000) entrepreneur is someone who creates something new that creates a new organization by reading the opportunities that exist and taking advantage of them. The conclusion is that the interest in entrepreneurship is the desire of someone who creates an innovation, a new product or service, creates a new organization that is profit-oriented and is someone who dares to take risks from the course of business.

Entrepreneurial interest is influenced by various factors including personal factors, environmental factors, and sociological factors (Bygrave & Hofer, 1992). Meanwhile, according to Lestari and Usman (2019), the factors that influence interest in entrepreneurship are, 1) intrinsic factors which include the need for income, motives, self-esteem, feelings of pleasure, and attention. 2) extrinsic factors which include family environment, community environment, opportunities, and education.

Social Environment

The social environment is all things that are involved in all human activities, where the social environment has an influence on the activities that a person will or is currently carrying out (Zastrow et al, 2019). The environment will vary according to the level of his career and the field of business or work. The social environment in the entrepreneurial world can also be referred to as business communication, business networks, or can also be referred to as personal networks (Light & Siegel, 2006). So that the social environment is all things that interact with someone and give influence that person. The social environment of society includes individual elements, groups, natural resources, cultural resources, systems of values and norms, conditions or situations as well as problems and various obstacles in society, as a whole.

Research Framework and Hypothesis

The Influence of the Social Environment on Interest in Entrepreneurship

Research conducted by Jena (2020) states that the social environment has a positive impact on interest in entrepreneurship. Research by Nowinski et al (2019) found that the environment has an influence on interest in entrepreneurship. The findings of Bello et al (2018) state that the social environment has a positive influence on interest in entrepreneurship. Meanwhile, research by Schwarz et al (2009) found that the social environment had no impact on asking a student to become an entrepreneur.

H₁: Social environment has a significant influence on the interest in entrepreneurship.

Based on various theoretical explanations, research findings, and developing hypotheses regarding the effect of entrepreneurship learning and the social environment on student interest in entrepreneurship. So the research framework in (Figure 1) is as follows:



Figure 1. Research Framework

Methodology

This research uses ex-post facto research with a quantitative approach. According to Sugiyono (2015), ex-post facto is research conducted to examine events that have occurred and then trace back to find out the factors that could have caused these events. While the quantitative approach is data in the form of numbers or qualitative data that is calculated (Efendi et al, 2019). Methods of data analysis in this study using multiple regression. The population in this study was 60 Economics Education Students at the University of Muhammadiyah Bengkulu, the sampling technique was total sampling.

Findings

Table 1 below is the result of multiple regression analysis of research data, with the following research results:

Variable Koef. T Statistic Sig Regression (B) Social Environment 6.454 0.000 1.011 Constant 8.823 R 0.663 \mathbb{R}^2 0.440 F Statistic 41.657 0.000 Sig

Table 1. Regression Analysis Results

Source: Primary data processed

The Influence of the Social Environment on Interest in Entrepreneurship

Based on the results of the regression analysis, it is known that the social environment has an influence on the interest in entrepreneurship, shown by the value of the regression coefficient of 1.011. At the 5% significance level, it is known that the t value is 6,454 with a significance of 0.000. With these results, the first hypothesis can be accepted that the social environment has a significant influence on the interest in entrepreneurship.

Coefficient of Determination R Square (R²)

The coefficient of determination R Square is used to show how big the percentage of social environment variables is in influencing the variable of student interest in entrepreneurship. The results of

the regression analysis show that the coefficient of determination R² has a value of 0.440 or it can be said that 44% of interest in entrepreneurship is influenced by the social environment. While the remaining 56% is influenced by other variables not included in this study.

Discussion

The Influence of the Social Environment on Interest in Entrepreneurship

Based on the results of the research that has been analyzed there is a positive and significant influence between the social environment on students' interest in entrepreneurship. This is shown by the value of the regression coefficient of 1,011. At the 5% significance level, it is known that the t-value is 6,454 with a significance of 0.000. So it can be concluded that the higher the social environment, the higher the student's interest in entrepreneurship.

The results of this study are supported by Jena's findings (2020) that the social environment has a positive impact on interest in entrepreneurship. Research by Nowinski et al (2019) found that the environment has an influence on interest in entrepreneurship. The findings of Bello et al (2018) state that the social environment has a positive influence on interest in entrepreneurship. Meanwhile, research by Schwarz et al (2009) found that the social environment had no impact on asking a student to become an entrepreneur.

Coefficient of Determination R Square (R²)

The results of this study indicate that there is a positive and significant influence between entrepreneurship learning and the social environment on students' interest in entrepreneurship. This is indicated by the results of the test results with F test which obtained a calculated F value of 41,657 with an F significance value of 0.000 or F <0.05. The coefficient of determination R Square is used to show how big the percentage of social environment variables is in influencing the variable of student interest in entrepreneurship. The results of multiple regression analysis show that the coefficient of determination R2 has a value of 0.440 or it can be said that 44% of the social environment influences students' interest in entrepreneurship. While the remaining 56% is influenced by other variables that are not in this study.

Conclusion

Based on the results and discussion in the research, we can conclude that; 1). The social environment has a significant influence on the interest in entrepreneurship, the social environment influences student interest in entrepreneurship by 44%, and 56% is influenced by variables outside this study. Together with the limitations, this study can be a reference material for further research in the future.

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