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## **THE ROLE OF PARENT'S INFLUENCE AND SELF-EFFICACY ON ENTREPRENEURIAL INTENTION**

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### **ABSTRACT**

Entrepreneurship is becoming a very relevant instrument to promote economic growth and development of the country. In this regard, entrepreneurship has been a topic that is interesting to be discussed in developing country. The objective of this study is to identify the role of self efficacy as well as parent's influence on entrepreneurial intention. Respondents consists of 215 new under graduate students in reputable university in Indonesia. The results showed that self-efficacy has positive and significant influence on entrepreneurial intention. However, parent's influence has no significant influence on entrepreneurial intention. The implications of the study can be used for government as well as university's management to develop self-efficacy of their students in order to develop their entrepreneurial intention, by providing them with training, coaching, and mentoring. Furthermore, the results also revealed that entrepreneurial experience has positive and significant influence on entrepreneurial intention.

**JEL Classification :** L26, I31

**Keywords:** Self-Efficacy, Parent's Influence, Entrepreneurial Intention

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### **INTRODUCTION**

Entrepreneurship is becoming a very relevant instrument to promote economic growth and development of the country. In this regard, entrepreneurship has become a topic that is always interesting to be discussed especially in developing country. Entrepreneurship will help not only to fulfill individual personal needs but also to help the government to increase economic growth and development, because of the economic contribution by entrepreneurs when they open new job opportunities, increase people welfare, creates values for society and at the end alter economic growth and development of a country. As a result, development of entrepreneurship in the society is very important.

However, many people especially youngsters are still reluctant to become an entrepreneur. There are many reasons that can be accounted for that matter, and one of the reasons is related to self-efficacy. To become an entrepreneur, individuals needs to have high self-efficacy. In this regard, self-efficacy not only be developed from his/her personal traits, but also reinforced by external sources, such as family, parent, extended families, society. Furthermore, family/parents' influence is also needed, especially in relation with entrepreneurship activities, especially in east culture like Indonesia.

Discussing about entrepreneurship in Indonesia in 2013 National Statistics Bureau released information that Indonesia only has 3 million entrepreneurs or equal to less than 2 percent from total population which reach 250 million people. This numbers is still very small compared to neighboring countries in Asian region. Realizing this phenomenon, the government of Indonesia has been implementing numbers of policies and practices to increase Indonesian entrepreneurs by developing people's entrepreneurial intention. Some of the government policies are as follows: providing economic incentives for new ventures, giving soft loan, delivering training on entrepreneurship, conducting all kinds of entrepreneurial development programs as well as coaching clinic to improve the skills, knowledge and intention of the people to become entrepreneurs. These kinds of entrepreneurship programs not only provided for older people, but also for younger ones, such as university students. Nowadays, universities are increasingly being called upon to play a more active role to increase entrepreneurial intention, in particular by providing their students with education and support to make an entrepreneurial career easier to undertake. The involvement of universities is important given that this career avenue is becoming more common and necessary choice for students. Based on these thoughts, certain studies was conducted focusing on the entrepreneurial intention of university students (Boissin and Emin, 2006; Kolvereid 1996; Tkachev and Kolvereid, 1999).

Several studies have clearly demonstrated that entrepreneurial behavior is strongly influenced by people values, attitudes and beliefs (Krueger, Krueger, and Brazeal; Krueger and Carsrud in Morris, 1998). In spite of these researches, it seems that the proportion of university students willing to step into self-employment is small. However, it also appears that entrepreneurial intentions are a function of a "regional dimension", which is shaped by different social and cultural environments. Much research has been done about the factors which stimulate entrepreneurial activity (Franco et al., 2010).

Strengthening students' confidence to become an entrepreneur through developing their self-efficacy appears to have an important impact at the early, prelaunch stage of an entrepreneurial venture. This research will study the impact of those psychological factors as well as observational learning to entrepreneurial intention in university students. This study will discuss about the role of self-efficacy and parent's influence on entrepreneurial intention.

## LITERATURE REVIEW

### Entrepreneur

*"One who creates a new business in the face of risk and uncertainty for the purpose of achieving profit and growth by identifying significant opportunities and assembling the necessary resources to capitalize on them?" (Zimmerer, 2008).*

*"An individual who takes initiative to bundle resources in innovative ways and is willing to bear the risk and/or uncertainty to act (Hisrich, Peters, and Shepherd, 2010).*

### Entrepreneurship

*"Entrepreneurship is the process of creating something new with value by devoting the necessary time and effort, assuming the accompanying financial, psychic, and social risks, and receiving the resulting rewards of monetary and personal satisfaction." (Hisrich, Peters, and Shepherd, 2010).*

### **Characteristic Behaviour of Entrepreneur**

Although entrepreneur means different things to many people (Hisrich, Peters, and Shepherd, 2010; Lambing and Kuehl, 2000), there are some characteristics behavior that should belong to an entrepreneur, namely: 1) *Initiative taking* (Hisrich, Peters, and Shepherd, 2010; Lambing and Kuehl, 2000), successful entrepreneurs take the initiative in situations where others may not. Their willingness to act on their ideas often distinguishes them from those who are not entrepreneurs; 2) *The organizing and reorganizing of social and economic mechanisms to bundle resources in innovative ways* (Hisrich, Peters, and Shepherd, 2010). Entrepreneurs are successful is that they have imagination and can envision alternative scenarios; 3) *The acceptance of risk, uncertainty, and/or the potential for failure* (Hisrich, Peters, and Shepherd, 2010; Lambing and Kuehl, 2000). In this regard, entrepreneurs see risk differently from others, although this is often because of their knowledge of the industry (Lambing and Kuehl, 2000). Also the life of an entrepreneur is much unstructured. There is no one setting schedules or step-by-step processes for the entrepreneur to follow. There is no guarantee of success. Uncontrollable factors such as the economy, the weather, and changes in consumer tastes often have a dramatic effect on a business (Lambing and Kuehl, 2000); 4) *A passion for the business*. The entrepreneur must have more than a casual interest in the business because there will be many hurdles and obstacles to be overcome. If there is no passion, or consuming interest, the business will not succeed (Lambing and Kuehl, 2000); 5) *Confidence*, entrepreneurs are confident in their abilities and the business concept. They believe they have the ability to accomplish whatever they set out to do (Lambing and Kuehl, 2000).

### **Entrepreneurial Intention**

When discussing about Entrepreneurial Intention Model, this cannot be separated with the discussion about the Theory of Planned Behavior as will be discussed as follows:

### **Theory of Planned Behavior**

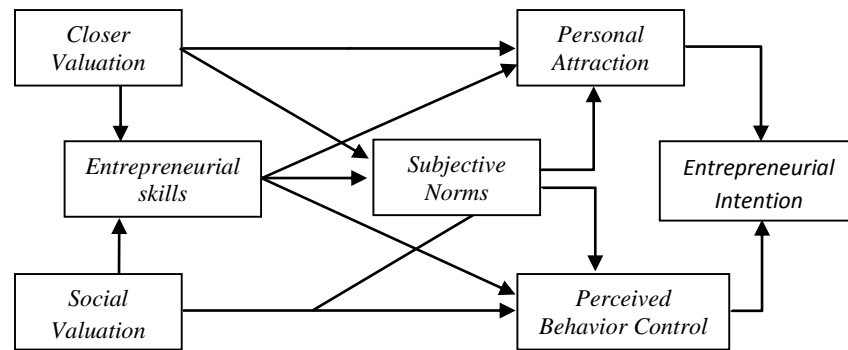
According to the theory of planned behavior (TPB), entrepreneurial intention indicates the effort that a person will make to carry out entrepreneurial behavior. It captures three motivational factors, or antecedents, influencing behavior, namely personal attitude; subjective behavior and perceived behavioral control (Ajzen, 1991; Linan, 2004 in Linan et al., 2008). The short explanations about the three motivational factors are as follows:

1. Attitude toward start-up (Personal Attitude – PA), refers to the degree which the individual holds a positive or negative personal valuation about being an entrepreneur (Ajzen, 2001, Autio et al., 2001; Kolvereid, 1996b in Linan et al., 2008). It includes not only affective (*I like it, it is attractive*) but also evaluative considerations (*it has advantages*).
2. Subjective Norm (SN) measures the perceived social pressure to carry or not to carry out entrepreneurial behaviors. In particular, it refers to the perception that “reference people” would approve the decision to become an entrepreneur, or not (Ajzen, 2001).

3. Perceived Behavioral Control (PBC) is defined as the perception of the ease or difficulty of becoming an entrepreneur. This concept therefore quite similar to self-efficacy (SE) (Bandura, 1997 in Linan et al., 2008) and to perceived feasibility (Shapiro and Sokol, 1982 in Linan et al., 2008).

All three concepts refer to the sense of capacity regarding the fulfillment of firm-creation behaviors. Nevertheless, recent work has emphasized the difference PBC and self-efficacy (Ajzen, 2002). PBC would include not only the feeling of being able to, but also the perception about controllability of the behavior.

**FIGURE 1. ENTREPRENEURIAL INTENTION MODEL BASED ON PLANNED BEHAVIOR THEORY AJZEN**



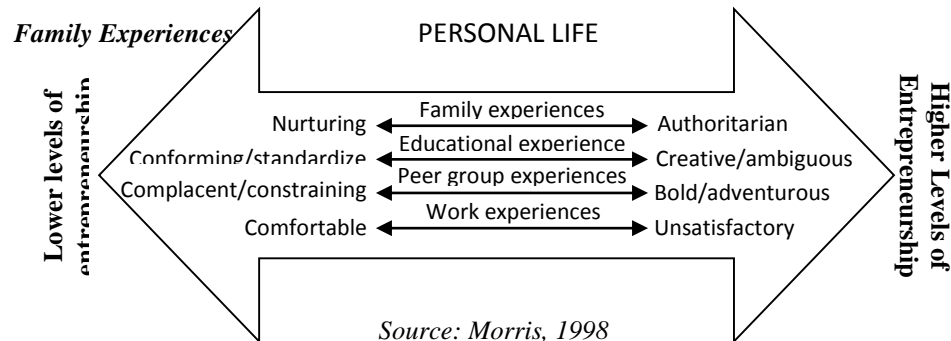
Source : Linan, Urbano and Guerro, 2008

Similar discussion about Entrepreneurial Intention was stated by Shapiro and Sokol (Krueger and Brazeal in Linan, Urbano and Guerro, 2008), who mentioned that *Perceived Desirability* is equal with the attitude of certain behavior and subjective norms from Ajzen (Krueger and Brazeal in Linan, Urbano, and Guerro, 2008). Furthermore, it was also mentioned that *Perceived feasibility* from Shapiro and Sokol is similar with the terms of *Perceived Behavior Control* (Krueger and Brazeal in Linan, Urbano, and Guerro, 2008). In this regard, a person was influenced by his/her *closer environment valuation* and *social valuation*, and the sources of *closer environment valuation* can be parents and or close friends. Perception about the skills in entrepreneurship will also influence the person intentions to become entrepreneurs. Higher skills poses by an individual in entrepreneurship will yield entrepreneurial intention.

#### **Personal Life Experience on Entrepreneurial Intention.**

There are many variables that influence entrepreneurial intentions, in this regard, family and personal life experience were shown as some of the variables. Figure 2 below is a summary of some of the types of personal life experiences thought to be associated with higher levels of entrepreneurship.

**FIGURE 2. LIFE EXPERIENCE AND ENTREPRENEURSHIP**



Researchers have shown that, some relevant aspects of family background that have been examined to be correlated with entrepreneurial intention include parental relationships, order of birth, and family income. In this case, parents in still an early sense of independence and desire for control in future entrepreneurs (Bird, 1989; Hisrich and Brush, 1984). Studies done by Delacroix and Carroll (in Morris, 1998) showed that there are some variables that influenced the entrepreneurial intention such as: family background, childhood experiences, exposure to role models, previous job experiences and educational experiences. All these factors have a strong influence on the development of an entrepreneur. In sum, it can be said that environmental factors such as, family/parents, role models, working/educational experience, as well as peer group experience are important variables that influence entrepreneurial intention.

Another important determinant of entrepreneurial behavior is the individual's exposure to successful role models (Kent; Eisenhardt and Forbes; Scherer, Adams and Wiebe; Bird and Vesper; in Morris, 1998). Studies have shown that many entrepreneurs have parents who were self-employed (Hisrich and Brush; Roristadt, Shapern; in Morris, 1998). Others find themselves working for or with an entrepreneur who becomes a role model. Another form of vicarious experience involves watching a friend develop a business. Such role models demonstrate to prospective entrepreneurs that risk-taking, tolerance for ambiguity, proactive and innovation leads to independence and self-control (Morris, 1998). The theory of observational learning also mentioned that role model is very important in modelling activities, even it can be said it is the centre of modelling activities Bandura (in Ormrod,1999, Feist and Feist 2006). Moreover, according to social learning theory, learning can happen although there is no direct experience but through observation of the model. Through modelling, a person can be learn something valuable from the successful role model that have succeed passed the difficult times (Ormrod, 2006). Based on these discussions, it can be concluded that environment especially close environment such as family, parents and extended families have an important role on the development of entrepreneurial intention.

### ***Educational Experience***

Educational experiences influence entrepreneurship. Previously, Brockhaus and Nord (in Morris, 1998) found that in general entrepreneurs had lower level of educational levels than the average people who work as managers. This tendency could lead to the feeling of limitation and inferiority in terms of pursuing high career in traditional organizations. Frustrated by an inability to achieve their desired level of success in established organizations, people choose to pursue a venture in which their own assessment of their abilities is more relevant. However, this phenomenon is no longer like this, as nowadays, many successful entrepreneurs have high educational level.

### ***Peer Group Experiences***

Personal experience with entrepreneurship is another factor in explaining the current or future performance of specific entrepreneurs. Whether the experience comes from ventures started on the side while in school, jobs taken on during summer breaks, or work in the family business, once a potential entrepreneur sees opportunity being capitalized upon, he/she often becomes more opportunity-aware. One of the interesting side-effects of pursuing an entrepreneurial path is the tendency to subsequently recognize additional opportunities for other ventures. Ronstadt (in Morris 1998) has labeled this as the “corridor principle.”

### ***Work Experiences***

Finally, previous work experience also shapes the entrepreneur. Brockhaus (in Morris 1998) found that job dissatisfaction “pushes” entrepreneurs out of established organizations and toward developing entrepreneurial ventures. In fact, the majority of entrepreneurs (59%) in Brockhaus’s study indicated a desire to start their own business before they had a product or service in mind; only a small percentage (14%) were drawn away from a traditional job by the desire to market a particular product or service. Brockhaus (in Morris 1998) also found that the greater the job dissatisfaction, the greater the likelihood of entrepreneurial success.

### **Relationship between Parent’s Influences and Entrepreneurial Intention.**

Based on the discussion previously, it was mentioned by Delacroix and Carroll (in Morris, 1998) that there are some variables that influenced the entrepreneurial intention such as: family background, childhood experiences, exposure to role models, previous job experiences and educational experiences. This statement was also supported by Mangundjaya’s studies (2012), which stated that is not easy to develop an entrepreneur, and in this regard, involving and participation of family (parents) should be enhanced. Moreover, youths (university students can be regarded as youth) according to Sullivan (Feist and Feist, 2009), learn from others how to live in the adult world. In relation with entrepreneurial intention, family background and personal life experiences were important variables. Some relevant aspects of family background, as well as the attitude and expectations of parents were also influenced future entrepreneurs (Bird, 1989; Hisrich and Brush, 1984). Role models and educational background were also some of the variables that will influence youth to be interested in becoming an entrepreneur.

Based on this discussion, the researcher propose the following hypothesis:

H1: Parent's influences have positive and significant contribution to entrepreneurial intention.

### **Self-Efficacy**

Self-efficacy has been defined as beliefs in one capability to organize and execute the courses of action required to produce given attainments (Bandura, 1997). As this paper is about entrepreneurship, we will discuss self efficacy in terms of entrepreneurial self-efficacy. In this regard, Chen, Grene and Crick (1998) defined entrepreneurial self-efficacy (ESE) as the strength of a person's belief that he or she is capable of successfully performing the various roles and task in entrepreneurship.

### **Factors Affecting Entrepreneurial Self Efficacy**

Self-efficacy is a motivational construct that has been shown as one of influential factor in individual's choice of activities goal levels, persistence and performance in a range of contexts. In this regard, formal education can provide examples of the lifestyles and working styles of successful entrepreneur that will help individuals develop their own psychological coping strategies. Psychological coping strategy itself, may help individuals maintain motivation and control work or career related anxiety, leading to a higher expectations of success. All of these learning to their own ability, effort and performance strategies such attribution should lead to increased self efficacy for entrepreneurial tasks. Another variable that also influence entrepreneurial self-efficacy is risk propensity, which is related to the individuals judgement of his or her own, just like psychological state while pursuing his/her entrepreneurial venture which includes level of anxiety and arousal (Gist and Mitchell, 1992). In this case, individuals with high risk propensity will be less risky than others (Sirkin and Weingart, 1995).

### **Entrepreneurial Self Efficacy at University Students**

Research done by Wilson, Kickul and Marlito (2007) shows that entrepreneurial self-efficacy has positively correlated with entrepreneurial intention. Furthermore, self-efficacy was said as one of the major variable that influence individual to become an entrepreneur (Bloyd and Vozikis in Chen, Green and Crick, 1998). Other researchs done by Wilson, Kickul and Marlino (2007) has also mentioned that entrepreneurial self-efficacy has positively correlated with entrepreneurial intention, both in university students as well as in senior high school students.

### **Correlation between Entrepreneurial Self Efficacy and Entrepreneurial Intention**

High self-efficacy will perform in a specific behavioural setting that leads individuals to approach that setting, whereas low self-efficacy lead individuals to avoid that setting (Wood and Bandura, 1989). In this regard, the research shows that there is a positive relationship between entrepreneurial self-efficacy and entrepreneurial intention with a sample of business and psychology students (Zhao et al., 2005). Furthermore,



Entrepreneurial Self-Efficacy (ESE) is the power of confidence that belongs to the person, which enables him/her to reach success in entrepreneurship roles, task and activities (Chen, Grene and Crick, 1998). In this regard, if a person has high self -efficacy he or she will have high commitment in achieving their goals and objectives. The level of self-efficacy will also influence the amount of efforts that a person will allocate in order to finish their jobs. (Zimmerman, in Bandura 1997: 203).

Based on this discussion the following hypothesis is proposed:

H2: Self-Efficacy had positive and significant contribution to Entrepreneurial Intention.

## **METHODS AND MEASURES**

### **Data Collection**

Data was collected through 3 types of questionnaires, namely: 1) Self-Efficacy Inventory 2) Parent's influence; and 3) Entrepreneurial Intention. All questionnaires had been translated into Indonesian language (*Bahasa Indonesia*) and were tested its reliability and validity, as follows: Self-Efficacy Inventory ( $\alpha = 0.642$ ); Parent's influence ( $\alpha = 0.854$ ); and 3) Entrepreneurial Intention ( $\alpha = 0.821$ ).

### **Sampling**

The population of these study were undergraduate students from a state own agriculture institute in Indonesia. This institute had been renowned for its concern in entrepreneurship especially in agriculture development in Indonesia. This study used convenience sampling methods. All the respondent have the characteristic as follows: first year students (100%), age between 17-19 years old (100%), male (42%), female (58%), ethnicity Javanese and Sudanese (71%), living with parents (73%), father's occupation public servant and private sectors (63%), mother's occupation house wives and public servants (68%), have experience in entrepreneurship (73%).

### **Data Analysis**

Data were analyzed based on descriptive analysis, and multiple regression analysis

### **Results**

The results of the analysis were presented through descriptive statistics, and multiple regression analysis.

### **Descriptive Analysis**

The followings tables, Table 1 and Table 2 show the results of the profile of the data.

**TABLE 1. DESCRIPTIVE ANALYSIS OF SELF-EFFICACY, PARENT'S INFLUENCE, AND ENTREPRENEURIAL INTENTION**

Variables	N	%	Self-Efficacy			Parent's influence			Entrepreneurial Intention		
			Mean	SD	Sign	Mean	SD	Sign	Mean	SD	Sign
Sex/Gender											
Male	90	42	4.140	0.432	0.521	3.503	0.834	0.453	5.182	0.804	0.422
Female	125	57	4.078	0.467		3.667	0.763		5.055	0.781	
Ethnicity											
Javanese	82	38	4.090	0.466	0.581	3.643	0.745	0.105	5.080	0.832	0.937
Sundanese	70	33	4.111	0.440		3.496	0.937		5.112	0.764	
Betawi	10	5	4.100	0.413		3.875	0.637		5.011	0.817	
Mixed	28	13	4.214	0.501		3.839	0.616		5.111	0.753	
Others	25	12	4.008	0.402		3.350	0.680		5.227	0.808	
Living with											
Parents	156	73	4.079	0.424	0.607	3.693	0.795	0.039*	5.121	0.760	0.299
Family/Relatives	9	42	4.222	0.560		3.527	0.578		5.344	0.807	
Students Dorm	19	9	4.168	0.438		3.105	0.859		5.241	0.870	
Others	31	14	4.158	0.562		3.642	0.735		4.892	0.877	
Father's Occ											
Entrepreneur	43	20	4.172	0.513	0.643	3.476	0.837	0.399	5.096	0.920	0.414
Public Servant	83	39	4.062	0.456		3.656	0.820		5.014	0.748	
Private Sector	52	24	4.088	0.414		3.673	0.701		5.167	0.796	
Teacher/Lecturer	14	7	4.085	0.310		3.410	0.601		5.505	0.602	
Med Doctor	7	3	4.057	0.457		3.964	0.443		5.102	0.463	
Military	12	6	4.150	0.468		3.479	0.869		4.971	0.900	
Farmer	4	2	4.450	0.597		3.062	1.599		5.457	0.661	
Mother's Occ											
Entrepreneur	15	7	4.173	0.281	0.781	3.317	0.753	0.01*	5.673	0.790	0.477
Public Servant	49	23	4.110	0.496		3.842	0.657		4.987	0.673	
Private Sector	10	5	4.240	0.556		3.175	0.951		4.867	0.768	
Teacher/Lecturer	21	10	4.076	0.527		3.071	0.780		4.990	0.755	
Farmer	2	0.9	4.400	0.283		4.000	0.354		5.530	0.905	
Housewife	118	55	4.081	0.433		3.655	0.796		5.173	0.843	
Experience											
Yes	96	45	4.131	0.464	0.392	3.568	0.841	0.660	5.491	0.688	0.000*
No	11	5	4.078	0.445		3.616	0.766		4.772	0.717	

\* Significant at l.o.s.  $p < 0.05$

Table 1 shows that in general there are no significant differences in demographic profiles in relation to self-efficacy, parent's influence, and entrepreneurial intention. However, the result shows that there is significant mean differences in parent's influence for groups of respondents who lived with parents, family/relatives, students dorms and others. Students who lived with their parents have the highest mean of parents influence. There is an also significant mean difference in entrepreneurial intention of students who have and have no experience in entrepreneurship. Students with experience in entrepreneurship activities tend to have higher entrepreneurial intention compare to students with no experience in entrepreneurship activities. Furthermore, the results also showed that mother's occupation has significant influence on differences in the score of entrepreneurial intention of their children. Respondents whose mother works as an entrepreneur tends to have higher score of entrepreneurial intention; on the other hand respondents whose mother works in private sector tends to have lower score.

**TABEL 2. THE RESULTS OF COLLINEARITY DIAGNOSTIC**

Model	Collinearity Statistics	
	Tolerance	VIF
Self-Efficacy	1.000	1.000
Parent Influence	1.000	1.000

*DV: Entrepreneurial Intention  
Source: Calculated from SPSS*

**TABEL 3. COLLINEARITY STATISTICS**

Dimension	Eigenvalue	Condition Index	Variance Proportions		
			(Constant)	Self-Efficacy	Parent Influence
1	2.960	1.000	.00	.00	.01
2	.034	9.333	.03	.09	.90
3	.006	23.163	.97	.01	.10

*Source: Calculated from SPSS*

The assumptions for multiple regressions include the following; that the relationship between each of the predictors variables and the dependent variables is linear and that the error or residual, is normally distributed and uncorrelated with the predictor. A condition that can be extremely problematic is collinearity which can lead to misleading and/or inaccurate results. Collinearity occurs when there is high intercorrelation among some sets of the predictor variables. Base on the result of collinearity diagnostic as depicted by Table 2, it can be concluded that collinearity did not exist in this case and all assumptions had been validated.

**TABLE 4. THE RESULTS OF MULTIPLE REGRESSIONS ANALYSIS OF SELF-EFFICACY, PARENT'S INFLUENCE AND ENTREPRENEURIAL INTENTION**

Variables	R	R <sup>2</sup>	Adjusted R <sup>2</sup>	Sign.
SE, PI to EI	0.470	0.221	0.213	0.000**
SE to EI	0.460	0.215	0.211	0.000**
PI to EI	0.096	0.009	0.005	0.161

\*\* Significant at p <0.01

Based on the results in table 3 above, the following hypotheses are concluded:

- H1: Parent's influences has positive and significant contribution to entrepreneurial intention, was not supported.
- H2: Self Efficacy has positive and significant contribution to entrepreneurial intention, was supported.

In this study it was found that both self-efficacy and parent's influence simultaneously predict entrepreneurial intention with multiple correlation coefficient is 0.470 ( $R^2 = 0.221$ ) and the adjusted  $R^2$  is 0.213. This mean 21.3% of the variance in

entrepreneurial intention can be predicted from self-efficacy and parent's influence combined. However, only self-efficacy that are significantly adding anything to the prediction when both variables included. Furthermore, self-efficacy has positive significant influence on entrepreneurial intention with coefficient correlation 0.460 ( $R^2 = 0.215$ ) and the adjusted  $R^2$  is 0.211. This mean 21.1% of the variance in entrepreneurial intention can be predicted from self-efficacy.

### **Discussions**

It can be concluded that a person with high entrepreneurial self-efficacy will have high intention to become entrepreneur. The level of self-efficacy will also influence the amount of efforts that a person will allocate in order to finish their jobs. (Zimmerman, in Bandura, 1997). This result supports the theory that proposed self-efficacy influence entrepreneurial intention. However, in this study parents influence cannot predicts entrepreneurial intention. This result is different from the previous study conducted by Mangundjaya (2012) which founded that family and parent's influences are important in developing entrepreneurial intention. Different types of sample (between university students and unemployed youth) might have some influences in the results.

This study also found significant differences in entrepreneurial intention between students who have experience in entrepreneurship activities and those who doesn't. Students with experience showed higher mean of entrepreneurial intention. This study also supports the theory that previous personal experience with entrepreneurship correlate with future performance of specific entrepreneurs including entrepreneurial intention (Morris, 1998). In this regard, as a potential entrepreneur he/she will seize opportunities being capitalized upon, which enables him or her to be aware of entrepreneurial activities.

### **CONCLUSIONS, IMPLICATIONS, AND FUTURE RESEARCH**

The results showed that self-efficacy has positive and significant influence on entrepreneurial intention. The implications of the study can be used by government as well as university's management to develop policies and practices that can increase entrepreneur self-efficacy of their students in order to develop their entrepreneurial intention. Several practices that can increase students' self-efficacy include training, coaching and mentoring as well as creating positive learning environment that support not only academic achievement but also personality development.

University management should also provide students with the opportunity to practice entrepreneurship as well as to encourage students to engage entrepreneurial activities include as part of the curriculum. These kinds of activities not only will enhance the self-efficacy but also providing them with the real experiences being an entrepreneur.

There are some limitations in this research that should be taken into consideration. First, previous researches suggested that there are various number of variables that can influence entrepreneurial intention (such as family background, experience, individual characteristic, role model, etc), however in this research the discussion are only focusing on two variables as the predictors of entrepreneurial intention, namely parent's influence and self-efficacy. Second, this research conducted with total respondents  $N = 215$  and use convenience sampling methods, as a result, there is limitation to generalize the result of this study into larger population.

For further research regarding entrepreneurial intention, there are several other variables such as the importance of role model, adversity, resilience and many other individual and external variables such as the role of environment, government, institution, NGO, etc can be studied in order to create a more comprehensive model, as all of those variables have been showed as predictors for entrepreneurial intention. Moreover, the study also showed self-efficacy has positive and significant correlation with entrepreneurial intention, and has contributed 21.3%, in this case there are still 78.7% contributed from other variables that need to be further studied. It is also suggested to conduct research in a larger sample and used other sampling methods such as random sampling to increase the generalized ability of the research results. Further research in different setting, different generations of respondents as well as different culture are also important to be conducted to explore and expand the understanding and exploration of the factors that create entrepreneurial intention.

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