# Effect of Entrepreneurship Commitment to Efficacy

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Effect of Entrepreneurship Commitment to Efficacy of Self through Intention of Entrepreneurship and Competence

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Abstract: This study aims to assess attitudes and entrepreneurial behavior by analyzing the causal relationships of entrepreneurial commitment, entrepreneurial intentions, entrepreneurial competence, and self-efficacy. The student population within the scope of Faculty of Economics, State University of Makassar is 450 people obtained by using survey method then as many as 212 students as sample by using Slovin formula. Data collection techniques used questionnaires and analyzed using structural equation modeling (SEM). The analysis showed that there was not a significant direct effect on the efficacy of self-commitment to entrepreneurship. Furthermore, there is an indirect effect on the efficacy of self-commitment to entrepreneurship through entrepreneurial intentions. While there was no indirect effect of entrepreneurial commitment to self-efficacy through entrepreneurial competence. Conclusion from the analysis is the level of confidence of students to become entrepreneurs is determined by the commitment to entrepreneurship through entrepreneurial intentions.

Keywords: commitment to entrepreneurship, entrepreneurial, self-efficacy
Introduction

Facing the era of Asian Economic Community (AEC) in early 2016, the people of Indonesia will face strong competition flow, characterized by the enactment of the free flow of goods, the free flow of services, the free flow of investment, the free flow of capital, and the free flow of labor. Therefore, in the face of these conditions, then it is time for governments, the private sector, and communities that are in unity to work together to make Indonesia self-sufficient by creating strength in various fields especially in the economic field. Then the expected change in the mindset of the consumer patterns towards productive personality-driven entrepreneurship. It can be argued that the entrepreneurial personality is a dynamic accumulation of physical and psychological shape the character of the entrepreneurial person to behave and act.

Entrepreneurial personality can be demonstrated by the ability of individuals discover, assess and take advantage of business opportunities through entrepreneurial potential. In this regard, there are many students who engage in their efforts to produce products or services or ideas, or ideas that are a novelty. In fact, not a few alumni oriented job seekers and not many alumni oriented job creator. This indicates the low values of entrepreneurship among student’s personality.

The education process is the activity of personality formation that takes place in a person who will shape the attitudes and behaviors as the accumulation of physical and psychological elements embodied in a person’s character. Zubaedi (2011) argues that: character education is a process of strengthening the intelligence of thought, appreciation for shaping attitudes, and practice to shape behavior in accordance with the noble values as the provision of identity, embodied in interacting with God,
self, community and environment. Thus, the process of education has an important role in shaping the character of a person's personality to be a provision learner understand and adjust the local environment through science, skills and personality have.

Personality traits of entrepreneurship are an attitude and behavior-oriented creative efforts and innovation through idea or ideas, and gathering resources to find opportunity and preparation of life (Prawirokusumo, 1997).

Entrepreneurial character can be shown through his courage develop businesses through ideas or ideas that are novelty (Suryana, 2004). Thus, to become entrepreneurs are resilient enough not only armed with knowledge and skills alone, but it is important the strengthening of the values of personality in real life to realize their ideas or novelty idea into an innovation through existing resources. The values of the personality in question, including a strong commitment to entrepreneurship, entrepreneurial intentions, entrepreneurship competence, and confidence.

Entrepreneurship strong commitment shown by the attitude and behavior of people in protecting and maintaining the values and objectives of entrepreneurship in carrying out its activities. Commitment is not only a desire to become entrepreneurs and have ideas or ideas, but rather on a strong desire to create a disciplined behavior, consistent with the decision, wise and firm, and have a willingness to embody the values and purpose of entrepreneurship. Ward (2009) suggested that the capital to form the formidable entrepreneur who takes a strong commitment based discipline and steadiness in business. The opinion indicates that the individual commitments may affect entrepreneurial intentions and competence of a person to establish self-confidence.

Many researchers before examine the relationship commitment and intentions of entrepreneurship with self-efficacy, as practiced by Chen et al. (1998); Jung et al. (2001); Kickul and D'Intino (2005) found that self-efficacy factor of an entrepreneur is an important element that can define entrepreneurial intentions in choosing a career and success in running the business. Harrison et al. (1996); Van Oudenhoven and Van der Zee (2002); Kuoa et al. (2003)
suggested that self-confidence is a source of motivation of individuals who inspire confidence to their competence to be able to solve the problems and the achievement of business objectives. Thus, it can be argued that confidence is the confidence level inherent in a person who became the motivation to determine success. While Bandura (1997) and Tsang (2001) suggested that a person's confidence in the competencies that have to be able to produce the desired success or planned. Furthermore Milstein (2005) suggested that a person's self-confidence can be distinguished by the desire to act upon the capabilities believed to result in success. Along with Peterson and Arnn (2005) confidence is the confidence level of the ability of the person can achieve success in their duties. Thus, the level of confidence a person associated with the capabilities can yield success in performing their duties or the performance desired.

Competence can be defined as an accumulation of one's own resources to achieve a desired goal. Boyatzis (1982) argued that the competence of a person can be shown through his work effectively and produce superior performance or superior. While Biemans et.al (2004) suggested that a person's competency lies in the skill and ability to conduct business in a professional manner. Furthermore, Cheng and Dainty (2003) argued that the competence is a person's ability level can accomplish its task in accordance with the desired performance. While Churchill (1992) suggested that proving one's level of competence can be seen from the way duties and rates of change at all levels of the achievements of the workers up to the realization of business development as well as the consequences of the crops. Related to some opinion about the competence, Man et al. (2002) suggested that entrepreneurial competence is the totality of one's own abilities that determine the level of success of the business reached the expected performance through the values of entrepreneurial personality.

According to description above, it can be argued that self-
confidence becomes the main capital for every student to become a successful entrepreneur. Strong self-confidence for students is based on the choice of several tasks or business activities that align with the skills and skills it has, so it can give birth to confidence to run and complete the task. Along with that through entrepreneurial commitment will encourage a person to remain committed to the choice of task or business activity and full of awareness to continue to build and develop their potential. Furthermore, with a high entrepreneurial commitment will encourage someone to do entrepreneurial intentions by finding information related to the smooth operation and steps to achieve business goals.

Methods

Data collection was conducted by using questionnaires related to the variables studied, namely: entrepreneurial commitment, entrepreneurial intention, competence, and self-efficacy then the results will be reviewed by using SEM.

Research Instrument

The analysis used to study the causal relationship between construct variables in this research is the structural equation model (SEM). Each construct variable is built through dimensions and indicators. The entrepreneurial commitment variable referred to as the independent variable (X1) consists of three dimensions, namely: desire, discipline, and determination. Each dimension has two indicators, so the number of question items for the commitment variable is six indicators. Next

Entrepreneurship Intention variable (Y1) as a variable between the unities consisting of three dimensions, namely: the need for achievement, confidence, and goals of business establishment. Each dimension consists of three indicators, so the number of indicators for
entrepreneurship intentional variables as many as nine. Furthermore, entrepreneurship competence variable (Y2) as a variable between the two which consists of three dimensions, namely: the spirit of achievement, initiative, and business development. The following construct variables are self-efficacy variables (Z) which are dependent variables having three dimensions, namely: belief in the ability to act, belief in the ability to behave, and belief in the ability to plan. Each dimension consists of two indicators, so the number of self-efficacy indicators is six. Thus the total number of question items is as much as variable indicator of variable constructs studied, i.e. as many as 30 items of questions.

Sampling Procedure
The population of this study is the students in the scope of the Faculty of Economics at the State University of Makassar force 2015 amounted to 450 people. Furthermore, the determination of the number of research samples using Slovin formula, that is: \( n = \frac{N}{1 + N.e^2} \) where \( n \) is the sample size, \( N \) is the population size, and \( e \) is the magnitude of the possible error can be tolerated by 0.05. Based on the equation, the number of research samples is 212 students.

Results

Response of the respondents Toward Entrepreneurship Commitment

Assessment of responses of respondents in this study using the percentage of the total score of respondents’ answers. Of 212 respondents there are 99 respondents who have less entrepreneurial commitment, and as many as 113 who have low entrepreneurial commitment. This indicates that not a few students who have not been able to make choices outside of lectures, especially related to the development of a business activity. So that not a few of the alumni of both courses are still dominated as job seekers compared to job creators.
Response of The Respondents Toward Entrepreneurship Intention

Entrepreneurship Intention is the attitude of someone who seeks information related to the plan of business establishment. Assessment of responses of the respondents related to entrepreneurial intentions, there are 58 students who have enough entrepreneurial intention, and as many as 151 respondents who have less entrepreneurial intentions, and 3 respondents who have a low entrepreneurial intention. This indicates that there are some among the students who are trying to find the right information related to the business activities that will be undertaken. Not many of them undergo business activities on the sidelines of lectures and seek information related to the development of business.

Response of The Respondents Toward Entrepreneurship Competencies

Entrepreneurship competence is inseparable from one's ability and skill to produce ideas or ideas that are novelty. From the results of data searching obtained respondents related to entrepreneurial competence, as many as 145 respondents who have less entrepreneurial competence, and as many as 63 respondents are worth enough, and 4 people with low value. Thus it can be argued that most students do not have the competence to give birth to ideas or ideas that are worth the novelty. While the rest can be said to give birth to ideas or ideas that are worth the novelty.

Response of The Respondents Toward Self-Efficacy

Self-efficacy can serve as a benchmark in assessing a person's ability to complete a task or activity. The results of data search showed there were 161 people who have low self efficacy while the rest as many as 51 respondents who have less
self-efficacy. Thus it can be indicated that generally
students do not have a strong belief in the ability or skills
that can be run well or find success. Such a thing that
causes the lack of among students difficult to determine the
choice of business or activities that can be completed
properly and thoroughly.

Structural Equation Model Analysis

Figure 1 represents the result of analysis model of
structural equation obtained picture diagram of full model
line as follows.

Figure 1. Diagram Path Full Model
Associated with the coefficient value of the path in the
picture above, then the following can be shown some
equation functions contained in the following table.

Table 1: Equation Function through structural equation
model

<table>
<thead>
<tr>
<th>Error Variance</th>
<th>R2</th>
</tr>
</thead>
<tbody>
<tr>
<td>Intention (1)</td>
<td></td>
</tr>
<tr>
<td>Competence (2)</td>
<td></td>
</tr>
</tbody>
</table>
Results of processing by using a robust method of maximum likelihood, acquired full model path diagram as shown in the picture above. Similarly, the mathematical model of structural equation functions mentioned above can be summarized by the following table.

Effect of

Table 2: Decomposition Effect between Variables

<table>
<thead>
<tr>
<th>Effect</th>
<th>Indirect through</th>
<th>total Effect (R2)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Inter variable</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Direct</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Indirect through</td>
<td></td>
<td></td>
</tr>
<tr>
<td>IK   KK</td>
<td>Direct</td>
<td></td>
</tr>
<tr>
<td>IK   KK</td>
<td></td>
<td>-0.1185</td>
</tr>
<tr>
<td>0.6001</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
Values contained in each track on a full model diagram above shows the value of the direct influence and indirect influence between variables partially constructs. The magnitude of the direct influence of entrepreneurial commitment to self-efficacy showed no significant effect with the contribution of the effect of only 0.0041, or 0.4 per cent while the remaining 99.6 per cent is sourced from other variables not studied in this research. The results of this analysis to answer questions for the purpose of research into one. The results of the analysis can be explained that commitment of students to engage in entrepreneurial-oriented activities have not influenced the level of self-confidence to become entrepreneurs. In accordance with the facts, students are generally more interested in the activities of student organizations are not touching the values of entrepreneurship to produce something of value in accordance with the creative and innovative scientific field.

Furthermore, in the above table describes the results obtained indirect effect on the efficacy of self-commitment to entrepreneurship through entrepreneurial intentions. The magnitude of the indirect effect is shown through the coefficient values track through KB to IK. The value of the coefficient paths indirect influence is at 0.6001 so that the contribution of indirect influence \((R^2)\) is 0.3608 or 36 percent. The results of the analysis show that there is an indirect effect on the efficacy of self-commitment to entrepreneurship through entrepreneurial intentions are less significant. It is explained that the commitment to entrepreneurship have an impact on student self-confidence if supported by an entrepreneurial intention are student attitudes and behaviors that lead to the desire to find information or space for the development of entrepreneurial activity. Lack of facilities and space for the development of entrepreneurship activities was one factor that led to the lack of commitment and entrepreneurial intentions among students, so the effect on the level of self-
efficacy to perform valuable entrepreneurial activity. Indirect effect on the efficacy of self-commitment to entrepreneurship through entrepreneurship competence of students. The analysis showed the value of path coefficients to assess the indirect effect is the path coefficient KB to KK and KK path coefficients to ED. The path coefficients are worth 0.8042 and (-0.1473), so that the contribution of indirect effect (R2) of 0.0014, or 0.1 percent. It is explained that the commitment to entrepreneurship has indirect influence is not significant to the self-efficacy of students through the entrepreneurial competence. Thus, it can be explained that the commitment to entrepreneurship built through desire, discipline, and determination have not been able to give indirect influence on student self-efficacy through entrepreneurial competencies are built through. Spirit of achievement, initiative and business development.

In addition to explain effect direct and indirect partially above, based on the three-above equation to explain the causal relationship simultaneously. The amount of influence simultaneously based on the value of the path coefficients for each variable construct consisting of commitment to entrepreneurship, entrepreneurial intentions and entrepreneurial competence to self-efficacy. The amount of commitment variable contribution simultaneous influence entrepreneurship, entrepreneurial intentions and entrepreneurial competence of the student self-confidence (R2) obtained by 0.5459 or 54 percent, while the remaining 46 percent comes from other variables not assessed in this study are shown through errorvar (error variance) values. This can be explained that simultaneously or jointly variable commitment to entrepreneurship, entrepreneurial intentions and entrepreneurial competence has significant influence.

Based on the above analysis it can be argued that the most dominant variables have an impact on self-efficacy can be seen in the table above, is variable intention of entrepreneurship (IK) followed by a variable commitment to entrepreneurship (KB) of the Efficacy of Self (ED) through Intention Entrepreneurship (IK).
Discussion
Based on the above analysis shows that the variables that most influence on self-confidence or self-efficacy are variable entrepreneurship intentions. Intention is the sincerity of one’s intention to commit the act or action of a particular behavior. While the intention of entrepreneurship is the desire or intention that exist in a person to commit an act of entrepreneurship. To conduct an action associated with the achievement of the objectives of course begins with an action

plan that will be carried out by someone with expectations followed to make it happen. In this regard there is a difference in a person with others in taking action. Someone who has a proactive attitude in the action begins with the plan of action that will affect their behavior in the act. Someone who has a proactive attitude in performing an action are usually more successful than someone who has a reactive stance. Consistent with the intention of entrepreneurship someone in achieving a goal can be affected by how people act and behave to perform an action. So as to carry out the intentions of entrepreneurship begins with the desire to create something and drive to succeed. Individuals who have a high entrepreneurial intention can be caused by the need for high achievement and have the courage to take the decisions they have made. In addition to having courage is also based on their self-confidence or self-efficacy will be capabilities can be utilized to achieve success. The presence of a high desire to succeed in achieving something will establish confidence and locus of control in a person. With the internal locus of control in a person, it will encourage someone to have confidence that he is able to control the environment with its capabilities so that it can achieve what it is intended. The results showed that students who studied generally have the intention of entrepreneurship to foster self-confidence to be able to run an activity or action-oriented entrepreneurship through his confidence in the ability or skills possessed. Capabilities to convince him are able to
run an activity or action to achieve success. Field findings show that not all students have entrepreneurial intentions associated with the desire to realize himself as a successful entrepreneur in the future. Besides the density of student activities and not optimal entrepreneurial character development program, either through course materials and training for entrepreneurship. In addition, the faculty that administer entrepreneurship courses have not been fully able to internalize the values of entrepreneurship that can form the entrepreneurial character. On the other lecture material is still dominated by the strengthening of entrepreneurship theory and knowledge, as well as the lack of training activities and skills that build character entrepreneurship so that someday if the pass is not uncommon that waiting for a call job application and not the job creators.

The lack of readiness among students in managing their future tend to promote actions that almost instantaneous create doubts in determining future goals. Thus, not many of the alumni who still compete fate to become a civil servant or employee of a big company without being aware of its potential. On the other hand, the lack of attention in determining the future, not uncommon among students perform activities of student organizations of which it is based not on the wishes of the original so that the activity leads to less creative activities. Consistent with Lorz (2011) uses a variable intention of entrepreneurship because it is a very valid variable and be able to demonstrate the impact of entrepreneurship education. The results of the Karimi, Biemans, Lans, Mulder and Chizari, (2012) argued that to provide a useful framework for analyzing how the influence of entrepreneurship education on student entrepreneurial intentions can be used the theory of Planned Behavior (TPB). Based on these opinions can be argued that to give rise to highest confidence in achieving success in the future intentions of entrepreneurship as a necessary basis for initiating entrepreneurship.

Results of research Lambing and Kuehl (2003: 29) found
that the intention entrepreneurship affect the efficacy of oneself. Based on the relevant research and theory study reinforced the findings that there is a positive and significant impact on the efficacy of self-entrepreneurship intentions of students of Economics Education and Management, Faculty of Economics, State University of Makassar. Consistent with Katz and Gartner (1988) that a person who has the intention of readiness and entrepreneurship will have a better progress in the effort to run than someone without the intention to start a business entrepreneurship. As stated by Krueger and Carsrud (1993), the intention has been proven to be the best predictors for entrepreneurial behavior. Therefore, Choo and Wong (2006), the intention can be used as a basic approach that makes sense to understand anyone who would become entrepreneurs.

Conclusion

Results of data retrieval of responses from 212 students of economic education and management major at Economics Faculty, State University of Makassar, showed that generally do not have entrepreneurial commitment, entrepreneurial intention, entrepreneurial competence, and self-efficacy. In a general way, it is still focused on academic activities and active in student organizations. On the other hand not yet optimal role of lecturers to build entrepreneurial character through the internalization of entrepreneurial personality values at the time of bringing entrepreneurship courses. Similarly, there is still a lack of implementation of entrepreneurship training programs held both at faculty and study level. In summary, Based on the analysis above, it can be concluded that the lack of internalization of the values of commitment to entrepreneurship cause low self-confidence of students to engage in activities oriented entrepreneurship. Furthermore, entrepreneurial commitment only has an indirect effect on self-confidence (self-efficacy) through entrepreneurial intention. While the indirect influence of entrepreneurial commitment to self-belief through student competence has no significant effect.
Suggestions that can be raised is the faculty need to provide space and time for developing entrepreneurial activity program involving faculty, students and other interested parties in order to build entrepreneurial character.

References
Boyatzis, R.E., 1982 The Competent Manager – A Model for Effective Performance, John Wiley & Sons, New York, NY.


Appendix 1

Questionnaire

1. Entrepreneurial Commitment

a. Desire or Intention

1. Profits are not the main goal, but try to keep the values and goals of the business.

   Strongly agree  Less agree
   Agree  Disagree
   Quite agree

2. Trying to do business development in accordance with the value and business goals?

   Strongly agree  Less agree
   Agree  Disagree
   Quite agree

b. Discipline

3. Attempts to observe the applicable rules and take corrective action against the offenses committed.

   Strongly agree  Less agree
Agree Disagree
Quite Agree

4. Discipline must be demonstrated through attitudes and behavior of obedience or obedience to the provisions in running a business.

   Strongly agree  Less agree
   Agree  Disagree
   Quite agree

c. Determination

5. Leave the business, if one offers another more profitable business.

   Strongly agree  Less agree
   Agree  Disagree
   Quite agree

6. If the business goes bankrupt, will you try to get back up and not switch to another more promising venture?

   Strongly agree  Less agree
   Agree  Disagree
   Quite agree

2. Entrepreneurship Intention

7. How do you respond that the failure of a business because it is not based on the needs and understanding of the values of achievement?

   Strongly agree  Less agree
   Agree  Disagree
   Quite agree
8. Is achieving the necessary skills and skills to plan a
prestative objective? Strongly agree  Less agree
Agree  Disagree
Quite agree

9. How do you respond, whether by having a mature
planning it is not necessary steps in realizing it?
Strongly agree  Less agree
Agree  Disagree
Quite agree

b. Self-confidence
10. How would you respond that success can be achieved
if one is based on self- confidence?
Strongly agree  Less agree
Agree  Disagree
Quite Agree

11. How do you respond that to achieve success in
running the task lies in the confidence of the ability
possessed?
Strongly agree  Less agree
Agree  Disagree
Quite agree

12. How would you respond that any action will be
successful if it is based on how a person chooses activities
related to his or her skills and abilities?
Strongly agree  Less agree
Agree  Disagree
Quite agree

c. Purpose of Business Establishment
13. Failure of a business can occur if a person builds a
business without being based on determining the target of
business establishment
Strongly agree  Less agree
Agree  Disagree
Quite agree
14. The clarity of the goal of business establishment is an important factor in planning and maintaining the values and business goals that must be maintained
Strongly agree  Less agree
Agree  Disagree
Quite agree

15. Efforts to obtain information related to the goal of establishing a vital business means because it relates to the values and goals of the business being run
Strongly agree  Less agree
Agree  Disagree
Quite agree

3. Entrepreneurship Competence
a. The Spirit of Achievement

16. How is your ability to achieve positive expectations in a field of business that you are interested in?
Strongly competent  Less competent
Competent  Incompetent
Quite competent

17. How should you provide direction for others to achieve successful work in a business field?
Strongly competent  Less competent
Competent  Incompetent
Quite competent

18. How is your ability to provide feedback in a business field? Strongly competent  Less competent
Competent  Incompetent
Quite competent

b. Initiative

19. How is your ability to anticipate opportunities that change at any time? Strongly competent  Less competent
Competent  Incompetent
Quite competent
20. How is your spirit in the efficiency of resources to achieve maximum results in the area of bars & restaurants?
   Strongly competent  Less competent
   Competent  Incompetent
   Quite competent

21. How is your ability to convey ideas to defend opinions on business types?
   Strongly competent  Less competent
   Competent  Incompetent
   Quite competent

22. How is your ability to take advantage of the opportunities available to complete tasks and responsibilities?
   Strongly competent  Less competent
   Competent  Incompetent
   Quite competent

23. How is your spirit in paying attention to the work target set in a business?
   Sangat Semangat  Kurang Semangat  Semangat  Tidak Semangat  Cukup Semangat

24. How is your spirit in improving performance of past work in a business?
   Sangat Semangat  Kurang Semangat  Semangat  Tidak Semangat  Cukup Semangat

4. Self-efficacy
   a. Belief in ability to act on the basis of experience
   25. Do you believe that you are able to perform the task well because based on the work you've been through?
      Strongly agree  Less agree
      Agree  Disagree
Quite agree

26. Do you believe that you are able to perform the task well because based on experience or routine that you do?  
Strongly agree  Less agree  
Agree  Disagree  
Quite agree

b. Confidence in ability on the basis of planned behavior

27. Do you believe that you can do a good job because you know what to do? Strongly agree  Less agree  
Agree  Disagree  
Quite agree

28. Do you believe that you can do a good job, because you know how to do it?  
Strongly agree  Less agree  
Agree  Disagree  
Quite agree

29. Do you believe that you can perform the task well because it adjusts to the achievement plan you want?  
Strongly confident  Less confident  
Confident  Unconfident  
Quite confident

30. Do you believe that you are able to perform the task well because it is based on the steps you prepare?  
Strongly confident  Less confident  
Confident  Unconfident  
Quite confident