# The Effect of Entrepreneurial Knowledge and Entrepreneurial Motivation on Entrepreneurial Interest in Students of the Economics Education Study Program, University of PGRI Jombang

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#### Abstract:

The study investigates the impact of entrepreneurial knowledge and motivation on the interest of PGRI Jombang University Economics Education Study Program students, revealing that after graduation, they tend to seek jobs rather than start their own businesses. This study employed q quantitative design, using 106 respondents as the sample. Methods for gathering data include questionnaires, documentation, interviews, and observation. The study revealed results that showed the impact of entrepreneurial knowledge on the entrepreneurial interest of University of PGRI Jombang students enrolled in the Economics Education Study Program. Entrepreneurial motivation significantly influences students' entrepreneurial interest in the University of PGRI Jombang's Economics Education Study Program.participating in the University of PGRI Jombang's Economics Education Study Program have a strong influence on their entrepreneurial motivation and knowledge. In-depth entrepreneurial education and strong entrepreneurial motivation can pique students' interest in becoming entrepreneurs and engaging the business sector.

Keywords: Entrepreneurial Interest, Entrepreneurial Motivation, Entrepreneurial Knowledge

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#### I. Introduction

Entrepreneurship is the ability to generate new ideas and products and is different from creative thinking and innovative actions to open up opportunities in facing various life challenges (Naihati, 2023). According to Dindin (2020), entrepreneurship is a person's mindset and skills that are needed to create innovations that are beneficial to individuals and others. Additionally, entrepreneurship, particularly at the higher education level, can help lower Indonesia's unemployment rate. Unemployment often arises due to the gap between the number of labor force and the number of available jobs. This is also supported by Aini & Oktafani (2020) who stated that the right strategy to reduce the unemployment rate is to start a business or entrepreneurship.

According to Central Statistics Agency (BPS) figures for 2022, Vocational High School graduates have a greater unemployment rate than other educational levels. The details are as follows: the level of education not yet in school or graduated from elementary school is 3.59%, the level of junior high school education is 5.95%, the level of public high school education is 8.57%, the level of vocational high school is 9.42%, the diploma level is 4.59%, and the level of university education is 4.80% (BPS, 2022).

The phenomenon of unemployment at the university level which amounted to 4.80% should be a special concern at the university level. Because most of the students who have graduated, many of them are looking for jobs according to their desires compared to trying to open up job opportunities and become an entrepreneur. Becoming an entrepreneur is a challenge that must be based on the intention and desire or interest to become a successful entrepreneur. This perspective is also supported by Suharti and Sirine (2011) who stated that encouraging entrepreneurial interest among students can help reduce the unemployment rate. Graduates are expected to become knowledgeable young entrepreneurs capable of successfully establishing their own businesses.

A person who wants to open a business or become an entrepreneur must have a sense of interest in the field of entrepreneurship. Entrepreneurial interest is an internal motivation to be independent in meeting the needs of life without being afraid of the risks that may arise and learning from the experience of failure that has occurred (Zaini, 2019). Interest in entrepreneurship in students in higher education has become a very interesting topic of discussion to be researched. Where with the interest in entrepreneurship in students, it will make the economic development of a country more advanced and can open up job opportunities for others and

themselves. Considering the number of unemployed in Indonesia that still cannot be solved, the existence of many jobs is very necessary for someone who does not have a job.

Interest in entrepreneurship is also influenced by entrepreneurial knowledge and entrepreneurial motivation. Entrepreneurial knowledge includes all information obtained through the learning process and develops in cognitive aspects Such as memory and understand of how to conduct business. that triggers courage in facing risks and managing businesses (Fahmi in Sucipto, 2022). Entrepreneurial knowledge can be obtained by participating in entrepreneurship course lectures, seminars, or programs from the government such as the Entrepreneurship Student Creativity Program (PKM-K), the Entrepreneurial Student Development Program (P2MW), and other entrepreneurial activities that can foster interest in entrepreneurship in students. Therefore, it is hoped that easy access to various information about entrepreneurship can increase interest in entrepreneurship among students (Abdullah, 2019).

Students' interest in entrepreneurship is influenced by a number of factors, including entrepreneurial motivation in addition to entrepreneurial expertise. An innate desire to fulfil requirements in order to accomplish desired performance and job satisfaction is known as entrepreneurial motivation (Kartika et al., 2022). According to Emilia (2018), entrepreneurial motivation is a person's desire to take creative and innovative actions to achieve their goals, namely creating opportunities. A person who has entrepreneurial motivation in him will have an impact on a person's interest in entrepreneurship. Where with a strong drive and desire for something, it will be able to achieve the desired goal.

Students of economic education in entrepreneurship should have more entrepreneurial knowledge compared to students from other study programs. Therefore, the entrepreneurial knowledge that students currently possess will encourage an interest in entrepreneurship. This contradicts the findings of Fanny Paramitasari and Muhyadi (2016), who found no relationship between entrepreneurial expertise and entrepreneurial interest. Currently, the interest in entrepreneurship among students is included in the low category. The condition is caused by the lack of student interest in the world of entrepreneurship. Most students who have received a higher education tend to prioritize job search over becoming entrepreneurs or creating their own jobs.

Based on this presentation, it is possible to conclude that a good combination of entrepreneurial knowledge and motivation will encourage students' interest in entrepreneurship. In higher education, entrepreneurship courses have been used to broaden students' knowledge of entrepreneurship. This is in accordance with the location of the research that will be researched by the researcher, namely at the University of PGRI Jombang. Every education study program at PGRI Jombang University has entrepreneurship courses. The existence of entrepreneurship courses is expected to make students after graduation can become entrepreneurs in addition to becoming a teacher according to the major they have taken. According to Atmaja & Margunani (2016), becoming an entrepreneur is not only obtained from entrepreneurship courses, but also through entrepreneurship training.

The researcher's interest in conducting research is also supported by the observation results that state that Economics Education students of PGRI Jombang University in the program of activities held by the government regarding the field of entrepreneurship have not been very interested. Judging from some Economics Education students, most of them choose to participate in the Teaching Campus and MSIB (Certified Internship and Independent Study) programs, the output of these activities is to become employees or employees after graduating from college. The researcher's interest in conducting a study titled "The Influence of Entrepreneurial Knowledge and Entrepreneurial Motivation on Entrepreneurial Interest in Students of the Economics Education Study Program, PGRI University of Jombang" arises from the background of the problem as described.

## II. Methods

This study explores at the correlation between entrepreneurship knowledge, motivation, and entrepreneurial interest among 106 students enrolled in PGRI Jombang University's Economics Education Study Program. Collection of data methods include observation, interviews, documentation, and questionnaires, which are tested for validity and reliability. The research design for this study was quantitative. This study aims to ascertain the correlation between the dependent variable of entrepreneurial interest and the independent variables of entrepreneurship knowledge and motivation among students enrolled in the Economics Education Study Program at PGRI Jombang University. The 106 students that made up the population were all used as the research sample in this study, and each student provided data for the sample. Data is collected using a variety of methods, including documentation, interviews, surveys, and observations. A validity and reliability test is performed before the research questionnaire is sent to the study population. The researcher analyzed the data using descriptive statistical analysis, hypothesis testing, multiple linear regression analysis, and classical assumption testing.

#### III. Research Result And Discussion

### **Result of the Study**

### **Description of Respondent Characteristic**

The sample in the study is as many as 106 respondents who are active students of Strata 1 (S1) Economics Study Program, University of PGRI Jombang with the following details:

Table 1 Respondent Data by Study Program and Batch

No Courses		Force	Number of	Percentage
			Students	(%)
1	Economics Education	2020	31	29,2%
2	Economics Education	2021	40	37,8%
3	Economics Education	2022	35	33,0%
	Jumlah		106	100%

Source: Data processed by researchers, 2024

## **Classical Assumption Test Normality Test**

#### **Table 2 Normality Test**

#### One-Sample Kolmogorov-Smirnov Test

Unstandardized Residual

	106			
Normal Parameters <sup>a,b</sup>	Mean	Mean		
	Std. Deviation	2.38955026		
	Absolute		.083	
Most Extreme Differences	Positive	.082		
	Negative	083		
	.083			
As	.072			
	Sig.		.074	
Monte Carlo Sig. (2-tailed)d	99% Confidence Interval	Lower Bound	.067	
		Upper Bound	.080	

a. Test distribution is Normal.b. Calculated from data.

c. Lilliefors Significance Correction.

d. Lilliefors' method based on 10000 Monte Carlo samples with starting seed 957002199.

Source: Data processed from the SPSS program

Based on the results of the normality test obtained, the significance value was recorded at 0.072. This shows that the residual data follows the normal distribution and the regression model meets the assumption of normality.

#### Model

Table 3 Multicollinearity Test Coefficients <sup>a</sup>						
Collinearity Statistics			Tolerance VIF			
1	X1	.750	1.333			
	X2	.750	1.333			

a. Dependent Variable: Y Source : Data processed from the SPSS program

Based on the results of the multicollinearity test above, it can be seen that the variables of Entrepreneurial Knowledge and Entrepreneurial Motivation have a tolerance value of 0.750 and a VIF value of 1.333. Because the tolerance value of the two variables  $\geq 0.10$  and the VIF value  $\leq 10$ , it can be concluded that there is no multicollinearity.

### Table 4 Heteroscedasticity Test Coefficients<sup>a</sup>

Unstandardized Standardized Model
Coefficients Coefficients B Std. Error

		1	Sig.				
1	(Constant)	-6.071	3.357		-1.808	.073	
	X1	.087	.069	.135	1.272	.206	

Beta

X2	.060	.049	.131	1.232	.221
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a. Dependent Variable: ABS\_RES

Source: Data processed from the SPSS program

Based on the results of the heteroscedasticity test above, it can be seen that the significance value of the entrepreneurial knowledge variable is 0.206 and the entrepreneurial motivation variable is 0.221, so it can be concluded that there is no heteroscedasticity due to the significance value of > 0.05.

### **Multiple Linear Regression Analysis**

## **Table 5 Multiple Linear Regression Test** Coefficients<sup>a</sup>

Model Standardized

**Unstandardized Coefficients** Coefficients Std. Error

Beta

		1	Sig.			
1	(Constant)	11.976	5.660		2.116	.037
	X1	.312	.131	.240	2.376	.019
	X2	.234	.081	.292	2.890	.005

C:~

a. Dependent Variable: Y

Source: Data processed from the SPSS program

Based on the table above, the results of the regression equation can be seen as follows:

 $Y = \alpha + \beta 1X1 + \beta 2X2 + \epsilon$ 

 $Y = 11.976 + 0.312 X_{1} + 0.234 X_{2} + \epsilon$ 

Based on the results of multiple linear regression analysis, the results were obtained that the variables of Entrepreneurial Knowledge (X1) and Entrepreneurial Motivation (X2) had a linear effect on Entrepreneurial Interest (Y).

T Test or Partial Test

# **Table 6 T Test or Partial Test**

Coefficients<sup>a</sup>

Model Standardized

**Unstandardized Coefficients Coefficients** B Std. Error Beta

		T	Sig.			
1	(Constant)	11.976	5.660		2.116	.037
	X1	.312	.131	.240	2.376	.019
	Y2	234	081	292	2.800	005

a. Dependent Variable: Y

Source: Data processed from the SPSS program

Table 6 reveals a significant effect of Entrepreneurial Knowledge (X1) on Entrepreneurial Interest (Y) among students in the Economics Education Study Program at the University of PGRI Jombang, with a significance value of 0.019. The hypothesis testing of Entrepreneurial Motivation (X2) vs. Entrepreneurial Interest (Y) shows a significant effect with a significance value of 0.005, indicating the acceptance of the presented theory.

#### Table 7 F Test or Simultaneous Test

## **ANOVA**<sup>a</sup>

M	odel		Sum of Square	es Df	Mean Squ	are F	S	ig.
	1	Regression	184.602	2	92.301	13.904	<.001b	
		Residual	683.776	103	6.639			
		Total	868.377	105				

Dependent Variable: Y a. Predictors: (Constant), X2, X1

Source: Data processed from the SPSS program

Table 7 above's results indicate that the significant value is smaller than  $\alpha = 0.05$  (Fsig 0.001 < 0.05), indicating that Ha is accepted. Therefore, the sig value is 0.001. This demonstrates that the variables of entrepreneurial knowledge and motivation have a beneficial impact on the variable of entrepreneurial interest among students enrolled in the University of PGRI Jombang's Economics Education Study Program.

#### Discussion

Entrepreneurial knowledge is one aspect that can influence students' interest in entrepreneurship. Where entrepreneurial knowledge that can be obtained by students from interviews is from entrepreneurship courses, participating in various webinar activities with the theme of entrepreneurship, and deepening entrepreneurial knowledge in students entrepreneurial practices are held, which are incorporated into one entrepreneurship course.

The results of this study are also directly related to the research conducted by (Hendrawan & Pelitawati, 2022), which explores the influence of entrepreneurial knowledge and personality on the entrepreneurial interest of FEB students at WR Supratman University Surabaya. The study reveals that entrepreneurial knowledge positively influences students' interest in entrepreneurship, aligning with current research at PGRI Jombang University's Economics Education Study Program. Entrepreneurial motivation also plays a role, with enthusiasm arising from personal, family, or other factors. The results of this study are also directly related to the research conducted by (Fathiyannida and Erawati, 2021), which investigates the Influence of Entrepreneurship Education, The study explores the impact of entrepreneurial motivation and income expectations on the entrepreneurial interest of accounting students, confirming findings from a study at Sarjanawiyata University.

Students' business skills acquired in college will be extremely beneficial in enhancing their interest in entrepreneurship. Their interest in entrepreneurship decreases when they lack understanding about the subject. Entrepreneurial knowledge alone is insufficient to attract students' interest in entrepreneurship; another aspect, entrepreneurial drive, is required. Internal encouragement is extremely important for generating interest in entrepreneurship. If students receive external encouragement but have no internal encouragement to pursue entrepreneurship, they may lose interest in entering the field of business. Students with entrepreneurial skills and high entrepreneurial motivation are more likely to be interested in starting their own business.

The results of this study are also directly proportional to the opinion of Handoyono (2020), if a person has a deeper knowledge of entrepreneurship and is supported by the spirit and willingness to become an entrepreneur, it will increase interest in entrepreneurship and make a person a successful person in the entrepreneurial world that he wants to run. A person who has his own business will directly practice the theories obtained about entrepreneurship during college to the business that will be run.

#### IV. Conclusion

The A significance value of 0.019 < 0.05 indicated that interest in entrepreneurship among students in the University of PGRI Jombang's Economics Education Study Program is significantly influenced by knowledge about entrepreneurship. (2) With a significance value of 0.005 < 0.05, entrepreneurial motivation has a significant impact on entrepreneurial interest among students enrolled in the Universitas PGRI Jombang Economics Education Study Program. (3) Entrepreneurial knowledge and motivation have a significant impact on entrepreneurial interest among students in the Economic Education Study Programme at the University of PGRI Jombang. The significant value of 0.001 < 0.05 suggests that students' entrepreneurial drive can be influenced by entrepreneurial motivation as well as expertise. In-depth entrepreneurial education and strong entrepreneurial inspiration may encourage students' interest in becoming entrepreneurs and entering the business sector.

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