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INTERNATIONAL
CONFERENCE ON
ISLAMIC FINANCE**

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ANTECEDENTS OF ENTREPRENEURSHIP'S MOTIVATION AMONG YOUNG MUSLIM STUDENTS

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ABSTRACT

Islamic universities as academic institution are expected enable in creating and producing qualified human resources which able to support sustainability of nation development. However, the evidence shown that mostly the graduated students were not able to contribute as supply and demand of workforce is imbalanced. Emerging number of unemployment from the fresh graduate university then result in increasing rate of unemployment index of the nation. Thus, it is important to investigate antecedents factors of entrepreneurial motivation among young Muslim students. Spirit and entrepreneurship's values make stronger economic nation in order to increase nation competitiveness. Using in-depth interview this article aims to develop the ideas of entrepreneurship motivation especially among Muslim student.

Keywords: *Entrepreneurship, university students, motivation, intention.*

Introduction

Higher academic institutions play significant role to increase qualification human resources of nation. Those institutions generate young, educated and fresh graduated of man power to fulfill the needs of employment in the market. However, the evidence shown that number of unemployment from the fresh graduated university continue to increase. Since most of those have limitation of work experience and lack of skill development. Mismatch and unlink of agendas between universities and industries often contributes in such problem. Thus, there is no guarantee that skill's the fresh university graduated able to applicate immediately within the industries.

In fact, the data shows the university graduanted still found difficulties while they search the jobs. In Indonesia, according to BPS (Badan Pusat Statistik) number of unemployment is contributed about 9.5% (688,660) comes from this category (BPS, 2014) which mostly from bachelor degree (495,143). Trend of this evidence will be estimated to increase in the future. It is supported by prior data of number educated unemployment has shown gradually increasing about 8,79% (645,866) in 2012 and 8,36% (619,288) in 2013 (BPS, 2014). Surprisingly, despite number of unemployment from educated employees shows increasing trend, some companies in Indonesia still hard to get such qualified employees. Unemployment and qualified human resource it seems become serious problem. Integration solutions to solve the problems have offered by stakeholders such as university, government, and industry but it still didn't show a significant result yet.

Entrepreneurship has long been regarded as an alternative solution to solve problem of unemployment and provide a pool of qualified human resource of nation. As the function of entrepreneurship as the engine of economic growth of the nation, source of job creation, regional development, efficient use of resources, commercialization of innovation and provision of new products and services (Neck and Greene, 2011). Thus, it shown that entrepreneurship plays significant role for economic welfare of the nation. However, previous research found that there is lower motivation to be entrepreneur among the university students (Siswoyo, 2009). The aim of this paper is to investigate motivation intention of entrepreneurship among university students and to formulate the strategy how to encourage entrepreneurship among the students, particularly for Muslim students.

Literature review

Theory of plan behavior (Fishbein and Ajzen, 1975) was foundation to describe the meaning of intention to behave. Intention is an intrinsic component of individual which describe individual desire why she or he do specific behavior (Fishbein and Ajzen, 1975). Thus, intention is probability of subjective dimension individual which related with behaviour. Whereas Bandura (1986) stated that intention is a whole of desire to do specific act in the future.

Concept of entrepreneur initially a concept which developed in sociology and psychology disciplines. Various definition of the concept was developed and it is agreed that there is no single definition can be made to explain meaning of entrepreneur. Richard Cantillon such mentioned in Siswoyo (2008) stated that entrepreneur is function of risk bearing. Besides, innovation process as strong indicator has included to explain the concept (Schumpeters, 1934 in Hamilton et.al.,1994). Since entrepreneur as engine of economic growth of the nation, thus economic development of the nation could be accelerated by the activities of qualified entrepreneurs. The process in which more people undertake economic risk to create a new business by innovative process will more generates value (Schramm, 2006) and achieve rapid profitable growth. Entrepreneur includes start-up of process business from nothing (Lee & Wong, 2004). Moreover, in entrepreneur concept also shown personal belief and commitment and other strong competencies and characteristics personal (Krueger, 1993).

Attention to nurture spirit of entrepreneurship among university students is important. The higher academics institution are demanding to set up and make a pool talent and good entrepreneurship characteristics. Cognitive and affective aspects which given through giving hard skills and soft skills will make easier for them to get more interesting jobs or build their own business. In addition to set up of character of entrepreneur involved multidiscipline in nature and it needs some consequences for relevant aspects.

Method

Qualitative research using in-depth interview was chosen as the research methodology to address research questions. Qualitative approach was considered as the best ways to the research questions since investigation and exploration of the motive and entrepreneurship intention among Muslim students is lack to study. Moreover, culture and social values mechanism influence such intention. Setting research among Muslim students were expected emerge new themes of entrepreneurial motivation. The eight interviewees were recruited using snowball sampling. In order too guarantee participants' confidentiality each interviewee was assigned a pseudonym as well as preserve her/his anonymity. The participants of university students were aged between 18 and 22 years old with a mean average of 19.5 years. Five participants (72%) were males. All of the participants have experienced in running and involved in a small business, and all have passed in entrepreneurship exam.

Results and discussion

Based on the interviews' guidelines and procedures, the interview aimed to answer the research questions such mentioned in part above. The interview data analysis focused on both the day-to-day the university students' experience in practice and how these experiences were perceived in the entrepreneurship situation. In the process of thematic analysis each emergent theme was given a title. In overall, the participants perceived that they have high motivation working in informal sectors and they have intention to create the job rather than searching the job. All of them have involved in enterpreneur activities either in family business or in school activities. Based on the procedure of thematic analysis, the themes of the interview data were categorised as follows:

A. Inspiring person will be important as a role model

The qualitative data analysis found that participants have some idols or people who inspire them to do entrepreneur. The participants mentioned one who success in business and they understand the process how their idols establishing career leader in entrepreneurship. Almost of the participants agreed that to be an entrepreneur is a long journey and it needs strategy to maintaining the efforts and hard work. The answers also indicated that every single step in the journey of their idols perceived as important step to build the business. The inspiring person mentioned has significant role to motivate them and becomes a role model in entrepreneurial behaviour and intention.

B. My family is the great booster motivator

Family's background appears the significant reason why the participants interesting in entrepreneurship. They identify that parent's job and the parenting principles are significant factors which increasing the intention. Fifty percent parents' job of the participants is running their own business whereas fifty percent rest the parents wor official employees. According to them, the family and home environment provide positive stimulation which contribute in running business. Besides the job of the parents, parenting values was also considered as important factors which lead the participants to be independent, brave, loved, trust, and optimistic toward the

whatever situation. Furthermore, school and non-school activities of siblings also inspired the participants to know more about entrepreneur.

C. My self and my personality will increase my energy

Participants identify themselves that they have positive characteristics which matching with entrepreneurs success. The participants aware that their intention to be an entrepreneur is determined by themselves. Thus, awareness toward question “who am I” is reflected exploration of themselves. The participants mentioned that the reason to be entrepreneur is mostly encourage the intrinsic needs such as need for achievement, need for autonomy, need for dominate, and need to help others. Moreover, individual characteristics also discussed to increase entrepreneurship intention such as curious, innovate, creative, leadership, honest, work hard, taking risk, individual responsibility, persistence and patience.

D. Culture and religious values will guide to find way of life

One characteristic that appears among all of the participants was the identity of being an entrepreneur is perceived able provide a wide opportunity to help others rather than built career leader in formal employment. In Indonesian culture, particular Java culture, symbolic is more meaning. Since among the societies, entrepreneur perceived as informal job which have less title and less prestigious thus the participants expect able to erase such stereotype. Willingness to able to help other by opening jobs and value of work together (*gotong royong*) have stimulated the participants to intense being an the business owner rather than working in the companies. Moreover, according to Islam values such principles will be assumed such as *amalan jariah* (continue reward from Allah) that expected every Muslim. In addition issues of social welfare, morality, halal earnings, halal product and fear to Allah also becomes interesting issues.

In this study, the factors of entrepreneurship were found comprised four components – role model as inspirator, family background, personal characteristics, and culture and religious values. The findings of this research consistent with the previous research which stated that motivation of entrepreneurship could be viewed from psychological and social perspectives. This theory stated that motivation to achievement is a conditional factor of the economic development (Raposo et.al, 2008). Thus, individual who have higher level of motivation tend to produce a higher number of efforts to be an entrepreneur. Personal characteristics which found in this study represents what McClelland (1961) call as the entrepreneur characteristics. Definition of entrepreneur as the individual who starts the business from nothing (Collins et al., 1964; Raposo et al., 2008) was revealed in this study. Factor intrinsic motivation found higher rather than extrinsic factor such as finance factor that often perceived as main barrier to be an entrepreneurs. The results of this study also revealed that culture and religious values are important factor lead to be entrepreneur as context and research setting in Indonesia as about 85% population are Muslim seems contribute in the study.

Programs and policies which covered in entrepreneurship education have launched by government to creates young entrepreneurs in the university, such as program cooperative education, field study (*Kuliah Kerja Nyata dan Kuliah Kerja Usaha*), and creativity program for students (*Program Kreativitas Mahasiswa*). These programs cover education and training sets the attempts to direct entrepreneurial behavior and to foster the desire of entrepreneurship (Selcuk and Turker, 2009; Kaijun, and Sholihah, 2015). The programs allow the students as candidate of entrepreneur having a good hard-skills and soft-skills such as managerial and financial skills, innovation and technology adoption, and marketing skills. Some activities are embedded in curriculum through apprenticeship programs, study field, student entrepreneur program and start-up business. Lecturers, students, and facilitators are three integrated components to determinate success of these programs.

The findings of this study are summarise such in figure 1 below.

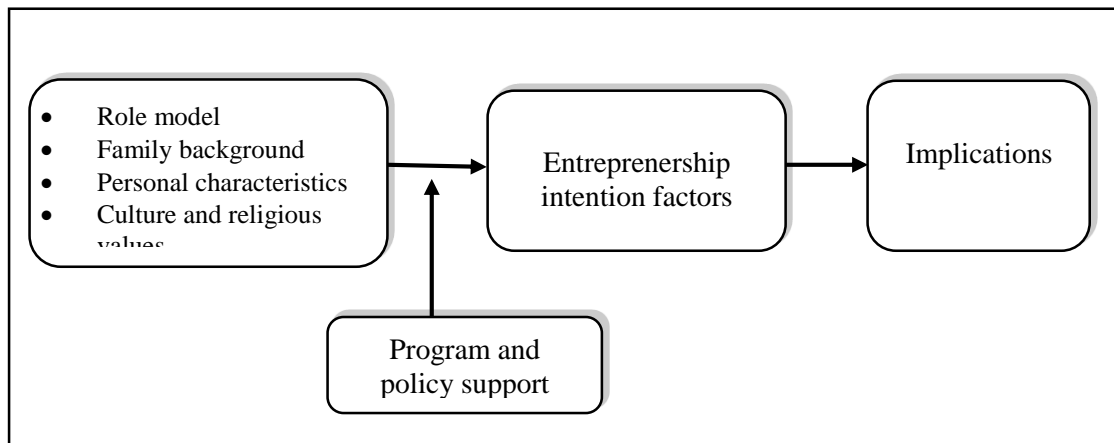


Figure 1: Result finding

Conclusion

Entrepreneurship plays important role to economics growth of a nation. The growth of number entrepreneur in the nation is lower despite the government have brought supporting policy. However, there is a hope that among young generations, entrepreneurship will rise as long as the stakeholder paid interest toward intrinsic factors of entrepreneurship. Therefore, research to explore motivation and intention of entrepreneurship is still relevant to study. The factors of intent to entrepreneurship comprised into personal, social factors and religious factor. Future research could be extended to test antecedent variables of entrepreneurship.

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