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## Determinant Factors of Young People in Preparing for Entrepreneurship: Lesson from Indonesia\*

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### Abstract

This study examines the determinant factors affecting young people in preparing entrepreneurship in Indonesia. This study involved several variables, including the need for achievement, risk perception, locus of control, entrepreneurial attitude to predict entrepreneurial intention, and preparation for entrepreneurship among young people. The approach utilized in this study was a quantitative research design using a survey model. The participants of this study were recruited from young people in East Java, Indonesia. Structural equation modeling with Partial Least Square (SEM-PLS) was implemented to test the hypotheses and the relationships between variables. The findings of this research showed that the attitudes toward entrepreneurship and entrepreneurial intention of young people in Indonesia are determined by several variables such as the need for achievement, risk perception, and locus of control. The correlation between variables showed one positive direction in which all independent variables can influence dependent variables. Additionally, the result of this study confirms a robust relationship between the attitude toward entrepreneurship and preparing for entrepreneurship among young people. Lastly, this study showed a positive correlation between entrepreneurial intention and preparation for entrepreneurship. This study suggests that government institutions and universities need to be concerned about entrepreneurial programs to promote young entrepreneurs.

**Keywords:** Need for Achievement, Risk Perception, Locus of Control, Entrepreneurship, Entrepreneurial Intentions

**JEL Classification Code:** D91, J13, L26

### 1. Introduction

Entrepreneurship plays a pivotal role in facilitating the enhancement of a country (Hsiao et al., 2015; Yi et al., 2018).

Additionally, entrepreneurship also acts as a generator in providing national welfare and competitiveness through better job opportunities (Ma & Tan, 2006). The crucial role of entrepreneurship has gained attention among policymakers and scholars throughout the world. In fact, there has been no structured attempt to investigate entrepreneurship from the point of view of young people (Chant & Jones, 2005). As a consequence, the insufficient understanding of youth studies leads to the narrow potential to touch young people (Dejaeghere, 2014).

The primary objective of this study aims to promote the potential advantages of youth entrepreneurs as a viable career choice, to examine challenges that stand in the way, and policy steps and strategies (Connor, 2013; Lordkipanidze et al., 2005). There is generally no accurate and systematic data about young people, especially data relating to youth entrepreneurship (Hill, 2006). Therefore, this research is based on various sources that form the basis of analysis. The existing evidence in developing countries showed that the level of entrepreneurship is linked to youth community in the welfare nations (Iakovleva & Kolvereid, 2011).

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In the context of Indonesia, the number of entrepreneurs has experienced an upward trend. It was about 1.67 percent in 2018 and rose to almost double to the level of 3.10 percent in 2019, with a total of 400,000 entrepreneurs. However, this achievement is still far from the expected number, ideally two million entrepreneurs. Also, educational approaches and other competencies to prepare successful entrepreneurs are problems that must be addressed (Statistics Indonesia, 2019). Therefore, Indonesia needs an educated young generation to continue the government relay and the struggle of this nation. The number of employment opportunities is limited and is no longer able to compensate for the rate of population growth in Indonesia, especially at a productive age (Suparno et al., 2019).

Some literature on entrepreneurship points out that the presence of entrepreneurs in society is determined by consumer demand and can be learned through training and experience (Priem & Carr, 2012; Luc, 2018). Also, several studies found that the emergence of entrepreneurship in a society is determined by the values or culture adopted by the community, and psychologists find that the emergence of entrepreneurship is determined by the characteristics of each individual (Wagner & Sternberg, 2004).

The individual characteristics of each person are related to the core values and character of a young entrepreneur (Rode & Vallaster, 2005). Indeed, Hunter et al. (2003) remarked that many perspectives try to explain the entrepreneurial process as follows. First, the scholars are concerned with the individual personality characteristics, such as risk-taking and the values of innovation and work. The second research group has taken a social cognitive approach, seeking out the correlation between individuals and their circumstances. The relationship between entrepreneurs, personality characteristics, values, and other dimensions will help determine why some people become entrepreneurs (Markman & Baron, 2003).

Various studies have reported that there are still some weaknesses in the successful young entrepreneurs in Indonesia. It is relevant to have a blueprint for how to prepare the next young entrepreneur to provide understanding and education about the importance of recognizing core characters and values for a young entrepreneur (Baion & Marfeman, 2000; Nelles, 2011). It is expected that they can prepare themselves to become successful young entrepreneurs (Nga & Shamuganathan, 2010). Based on the previous findings, this study attempts to understand what factors affect young people to become entrepreneurs focusing on the need for achievement, risk perception, locus of control, entrepreneurial attitudes, and entrepreneurial intentions.

## 2. Literature Review

### 2.1. Need for Achievement

The need for achievement has been examined comprehensively by McClelland (1961). Schaper and Weber (2011) state that the need for achievement is a condition in someone who wishes to be superior or to succeed in competitive situations. A prior study by Tong et al. (2011) remarked this variable plays an essential role in forecasting entrepreneurial intentions and individuals with high demand for achievement in providing more entrepreneurial activity. Likewise, Ferreira et al. (2012) and Nasip et al. (2017) mentioned that the need for achievement can trigger the intention to become entrepreneurs. In addition, there is some consensus suggesting that the need for achievement also has a close relationship with an entrepreneurial attitude and entrepreneurial intentions (Botsaris & Vamvaka, 2016; Dakoumi & Abdelwahed, 2014; Jena, 2020).

*H1: The need for achievement has a positive impact on the entrepreneurial attitude*

*H2: The need for achievement has a positive impact on the entrepreneurial intention*

### 2.2. Risk Perception

The concept of entrepreneurial risk perception covers the assessment of risk decision-making, which affects entrepreneurial behaviors (Nabi & Liñán, 2013). This includes individual assessments and estimated probabilities of levels and risk control, for instance, in preparing for entrepreneurship and trust in those forecasts (Barbosa & Fayolle, 2006; Mullins & Forlani, 2005). Experts have stated that businessman do not always have a higher risk tendency (Simon et al., 2000). In contrast, empirical research shows differences in the risk perception hypothesis, where entrepreneurs are more likely to consider bringing down levels of risk associated with the creation of new ventures (Barbosa & Fayolle, 2006). This happens by using rose-colored lenses, that is, exaggerating their opportunities of success and positively framing business creation (Douglas, 2017). Thus, these potential entrepreneurs focus on the positive dimension by looking at strengths and opportunities instead of weaknesses and threats. This risk perception predicts individual entrepreneurial intentions (Barbosa & Fayolle, 2006) and the creation of new ventures (Simon et al., 2000). It, thus, is considered an essential factor in understanding entrepreneurial cognition and behavior.

**H3:** Risk perception positively influences entrepreneurial attitude

**H4:** Risk perception positively influences entrepreneurial intention

### 2.3. Locus of Control

Locus of control means an individual's perception of rewards and punishment in one's life (Helson, 1980). This can be called the level of control a person has over events in their life (Rotter, 1966). Individuals with an internal locus of control have a strong belief that they control events in their own lives. In contrast, individuals with an external locus of control refer to events on extrinsic factors, including fates, opportunities, or luck. This implies that intrinsic locus of control is one of the main characteristics of entrepreneurship and can be a significant factor of company success and failure (Fock & Koh, 2006; Cromie et al., 2000). Locus of control refers to the perception that a person can influence certain accomplishments that are relevant to them. People with an internal locus of control believe results are the result of their efforts, will, and abilities. The construct of locus of control has been widely used in extant research as a predictor of behavior ranging from the centrality of work and alienation to work frustration and aggression (Fox & Spector, 1999), to entrepreneurial potential and moral reasoning. (Mueller & Thomas, 2001). However, in the case of attitude towards money, except for Tang (1995), several studies try to examine the effect that the locus of control has on the meaning that people associate with money. In addition, a person with an external locus of control tends to believe that the results are beyond their control and extrinsic variables such as environment, lucks, getting to know the right people and so forth. Additionally, Bonnett (1991) found that internal locus of control was closely related to the willingness to be an entrepreneur.

**H5:** The locus of control has a positive impact on the entrepreneurial attitude

**H6:** The locus of control has a positive impact on the entrepreneurial intention

### 2.4. Attitude toward Entrepreneurship and Entrepreneurial Intention

In early attitude research, most scholars accept that a given attitude regulates behavior. When critics began to question this, it suddenly seemed that attitude was a predictor of terrible behavior. The validity of this study was based on the question of whether socially-desirable biases contaminated respondents or that measurement provides an incomplete assessment of the construct of attitude. Ajzen and Fishbein (1997) criticize research that often tries to predict

concrete actions by measuring very global attitudes and therefore fails to find a clear relationship between attitudes and behavior.

Attitudes are generally vital because they affect perception and behavior. However, people who have the same attitude may still act differently in certain situations (Ajzen, 2002; Schifter & Ajzen, 1985). These differences can be ascribed to, for example, accessibility, strength, and the importance of direct attitudes and experiences (Fazio & Williams, 2015). For example, most companies have positive attitudes towards ethical behavior, but not all of these companies act ethically. Whether they act ethically or not depends on how strongly they care about this problem. Schifter and Ajzen (1985) show that we must distinguish between two different types of attitudes. The general attitude is useful when predicting behavior patterns or several criteria of action, but weak in terms of predicting a single behavior. Attitude towards a behavior is a stronger predictor than a single behavior.

Preparing for entrepreneurship requires attitudes towards entrepreneurship (Liñán et al., 2011). Transforming the significant role of entrepreneurship impact in the nation development and economic growth will force the country to boost the number of young entrepreneurs. Likewise, for Filion (2015), is included in the category of "entrepreneurial foundations", a series of training, which can be clearly considered as entrepreneurship education. Specifically, in addition to emphasizing the importance of attitudes towards entrepreneurship in preparing for entrepreneurship, the following content can be highlighted: transmitting entrepreneurial roles and aspects, along with problems that are usually encountered; providing clarification that they can be encouraged and presenting several techniques for doing so, and making explicit successive stages engaged in the initial process and business enhancement (Borasi & Finnigan, 2010; Schwartz & Malach-Pines, 2009).

**H7:** Entrepreneurial attitude positively influences entrepreneurial intention

**H8:** Entrepreneurial attitude positively influences preparing for entrepreneurship

**H9:** Entrepreneurial intention positively influences preparing for entrepreneurship

## 3. Research Methods

### 3.1. Study Design

This study applied a cross-sectional survey with participant entrepreneurs in East Java, Indonesia. A total of 425 questionnaires were distributed online. However, approximately 404 responses were applicable for further analysis. The responses rate of 95% is relatively high.

In more detail, the 74% respondents of this study were female with the age between 18 to 25 years old and having working experience for about 1 to 5 years. Most respondents graduated from senior high school, with the percentage of 57% and running their business in home industry and coffee shop, with 74% and 17%, respectively (see Figure 1).

### 3.2. Measurement Development

All the construct's measurements were adapted from previous studies with a minor modification. The questionnaire included 35 questions framing the respondent's profile and variables, which were investigated. Attitudes toward entrepreneurship (ATE) were proxied by four questions based on Linan and Chen (2009). Entrepreneurial intentions (EI) were estimated by using six indicators adapted from Linan and Chen (2009). Locus of control (LC) was explained by four indicators borrowed from Rotter (1966). The need for achievement (NAC) was measured by four items based on Cassidy and Lynn (1989). Preparing for Entrepreneurship (PR) was measured by seven items adapted from Tung et al. (2020), and risk perception (RI) was measured by five items based on Gomez-Mejia and Balkin (1989). Each construct was measured on the 5-point Likert scale, from "strongly disagree" (1) to "strongly agree" (5).

## 4. Results

### 4.1. Assessment of Outer Model

The first step of outer model assessment in PLS analysis is an examination to ensure that the instrument is reliable. The score between 0.6 - 0.8 indicates good construct reliability

(Hair et al., 2014). For validity analysis, construct validity is applied since it is more relevant for the social sciences (Cronbach, 1995). Two sorts of validity tests were performed, convergent validity and discriminant validity. Convergent validity is the extent to which a measure positively correlates with another measure of the same construct. In examining the convergent validity of a measure in PLS, the average variance extracted (AVE) and item loadings are evaluated (Hair et al., 2013). A AVE value higher than 0.50 indicates that, on average, the construct explained more than half of its indicator variance. As such, the rule of thumb is that an AVE value greater or equal to 0.50 is acceptable (Hair et al., 2013).

As shown in Table 1, the values of CR for each construct range from 0.835-0.906 exceed 0.6-0.7 as a cut-off score, so the construct reliability is achieved. The convergence validity test results in some of the indicators (EI3, EI6, ATE4, LC2, LC4, PR1, PR3, PR4, PR5, PR7, NAC2, NAC3, RI1, RI2, and RI3) should be removed due to the items loading lower than 0.7. After the elimination, all the items are loading higher than 0.6 and the value of AVE for each construct ranges from 0.644-0.760 exceed the recommended value 0.5, thus the convergence validity is achieved.

Table 2 shows the discriminant validity test in which items differentiate among constructs or measure distinct concepts. The AVE for each component should be greater than the squares of the correlation between the components and all other components (Fitch et al., 2005). On the other hand, the research model is considered to have a good discriminant when the correlation among the components is lower than the square root of the AVE (Fornell & Larcker, 1981).

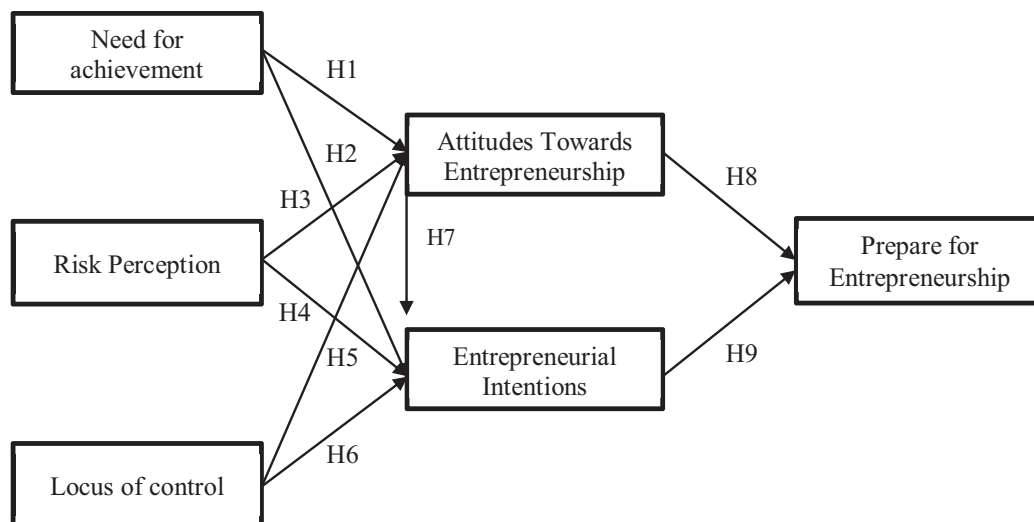


Figure 1: The research framework

**Table 1:** Results of Measurement (Outer) Model

Construct	Item	Loading	CR	Cronbach Alpha	AVE
Attitudes towards entrepreneurship (ATE)	ATE1	0.867	0.906	0.862	0.707
	ATE2	0.831			
	ATE3	0.848			
	ATE5	0.816			
Entrepreneurial intentions (EI)	EI1	0.794	0.878	0.816	0.644
	EI2	0.811			
	EI4	0.816			
	EI5	0.788			
Locus of control (LC)	LC1	0.905	0.863	0.688	0.760
	LC3	0.837			
Need for achievement (NAC)	NAC1	0.864	0.849	0.645	0.738
	NAC4	0.854			
Prepare for Entrepreneurship (PR)	PR2	0.885	0.839	0.622	0.723
	PR6	0.814			
Risk Perception (RI)	RI4	0.906	0.835	0.619	0.718
	RI5	0.784			

**Table 2:** Discriminant Validity

	ATE	EI	LC	NAC	PR	RI
Attitudes towards entrepreneurship (ATE)	0.841					
Entrepreneurial intentions (EI)	0.790	0.802				
Locus of control (LC)	0.557	0.587	0.872			
Need for achievement (NAC)	0.624	0.616	0.574	0.859		
Prepare for Entrepreneurship (PR)	0.487	0.541	0.479	0.496	0.851	
Risk Perception (RI)	0.572	0.620	0.498	0.526	0.449	0.847

## 4.2. Assessment of Structural (Inner) Model

All the data were run using 500 bootstrapped samples, through 130 cases. Variance Inflation Factor (VIF) coefficient is higher than 5.00 (Hair et al., 2014). The test results showed that the range of inner VIF is within 1.251 – 2.334. Therefore, there is no collinearity problem.

## 4.3. Path Coefficient

The path coefficients are also used to evaluate the structural (inner) models. The t-statistics were estimated using the bootstrap resampling procedure. The bootstrapping procedure is a non-parametric approach for estimating the precision of the PLS-SEM estimates (Hair et al., 2013). Bootstrapping results suggest the stability of the PLS-

SEM estimates. In this study, all the data was run using 500 bootstrapped samples. As shown in Table 3, all of the hypotheses were accepted since the range of p-value for each relationship is within 0.000 – 0.033, less than 0.05 (see Figure 2).

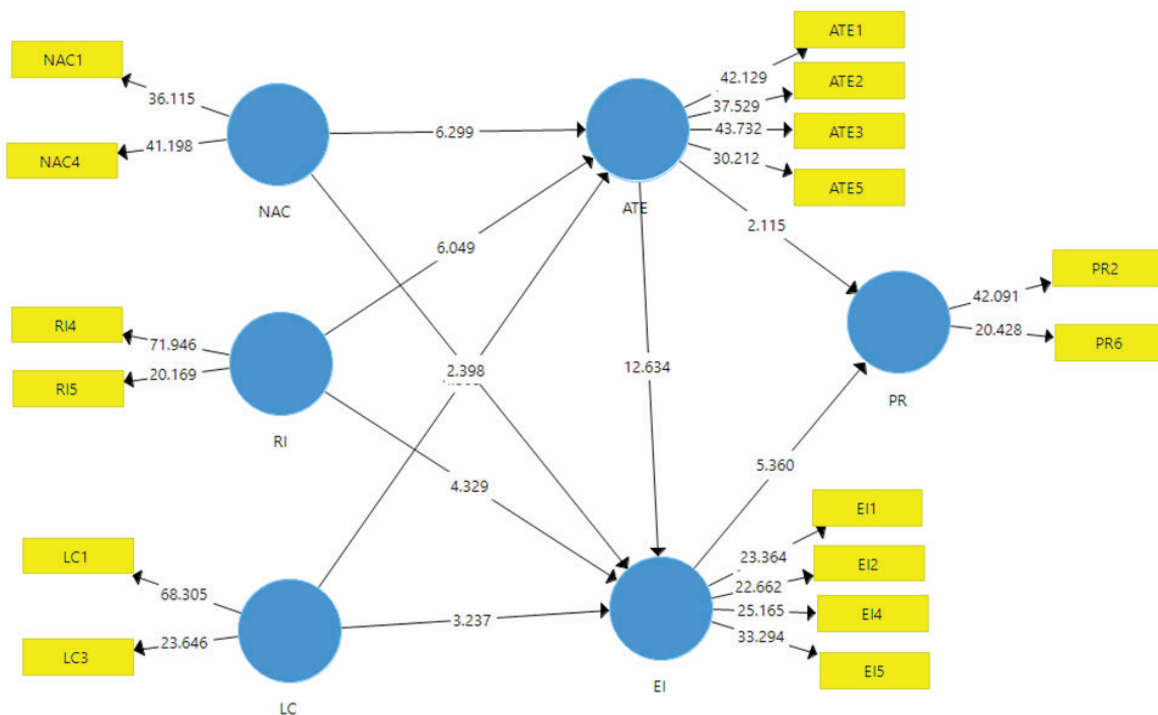
## 4.4. Model Fit

The model R-square indicates the model's predictive accuracy (Hair et al., 2014). R-square values falling on or greater than 0.75 are considered as substantial, those that fall on 0.50 are considered moderate, and those that are 0.25 are considered as weak (Hair et al., 2014). The results show that 50% variance of ATE was explained by NAC, RI and LC, which is a moderate level of predictivity. Furthermore, 68.7% variance of EI was explained by ATE, NAC, RI,



**Table 3:** Path Coefficients and Results of Hypotheses Testing

Hypotheses	Relationship	Beta	T-value	P-values	Decision
H <sub>1</sub>	NAC → ATE	0.354	6.529	0.000	Accepted
H <sub>2</sub>	NAC → EI	0.101	2.589	0.010	Accepted
H <sub>3</sub>	RI → ATE	0.279	6.373	0.000	Accepted
H <sub>4</sub>	RI → EI	0.189	4.507	0.000	Accepted
H <sub>5</sub>	LC → ATE	0.215	4.483	0.000	Accepted
H <sub>6</sub>	LC → EI	0.132	3.521	0.000	Accepted
H <sub>7</sub>	ATE → EI	0.545	13.276	0.000	Accepted
H <sub>8</sub>	ATE → PR	0.160	2.144	0.033	Accepted
H <sub>9</sub>	EI → PR	0.414	5.321	0.000	Accepted



**Figure 2:** Measurement and structural model estimation

and LC, which is a moderate level of predictivity. Lastly, 0.302 or 30.2% variance of PR was explained by ATE, NAC, RI, LC and EI, which is as weak level of predictivity. In addition to evaluating the  $R^2$  value, the  $f^2$  effect size test was employed. The assessment of the effect size  $f^2$  seeks to evaluate whether exogenous constructs have a substantive impact on endogenous constructs. Based on the guidelines provided by Hair et al. (2014),  $f^2$  values of 0.02, 0.15, and 0.35 respectively represent the small, medium, and large effect of the exogenous constructs on the endogenous constructs. The range of  $f^2$  is between 0.014-0.149. Specifically, the effect

size of NAC, LC and RI on ATE were moderate ( $f^2$  values are 0.149 and 0.104). Similarly, the effect size of NAC, LC, RI and ATE on EI were substantial ( $f^2$  values is 0.474). However, the effect size of ATE and EI on PR were weak level ( $f^2$  values are 0.014 and 0.093).

## 5. Discussion

The results of this study answer nine hypotheses (see Table 3 and Figure 2). The first and second hypotheses confirmed that there is a direct positive impact between the

need for achievement toward entrepreneurial attitude and entrepreneurial intentions. The results of the study support several previous studies by Botsaris and Vamvaka (2016); Dakoumi and Abdelwahed (2014); Jena (2020), which indicate that the need for achievement significantly influences attitudes toward entrepreneurship and entrepreneurial intentions. The young entrepreneurs think that they can make much money by doing things that are considered productive. They also need to set short- and long-term goals and strategies to grow the business (Greco & Kraimer, 2020). Using information channels from various media, both online and offline, they seek knowledge in doing business. This young entrepreneur has the spirit of entrepreneurship and never gives up in any situation.

Entrepreneurs must be more concerned about doing their job well than others. This shows that they intend to become superior people. An entrepreneur must have analytical skills, especially to analyze the business. By analyzing the business, both in terms of competitors and developing the business. Also, when analyzing a business, entrepreneurs must be able to think long term. This is because they can use the results of the analysis to develop the business going forward. If entrepreneurs do not think long term, then they do not expect their business to be long lasting (Lévesque & Stephan, 2019).

The next findings are that risk perception positively influences attitudes toward entrepreneurial intentions. This study supports some prior studies by Padilla-Meléndez et al. (2014); Vinothkumar and Subramanian (2016). The young entrepreneurs see that a good relationship is needed to start a business. There is a need for good social skills in establishing business partnerships, and they need to understand the characteristics of their colleagues (Gold & Heinemann, 2019). Choosing the right business partner or partners is crucial in starting a business partnership (Gretsch et al., 2020; Leminen et al., 2019). If young entrepreneurs make the wrong choice, this can affect their relationship with their business partners. Young entrepreneurs also need to have an understanding of the law to start a business. With the regulation of business law, it is expected to reduce the potential risks that can occur, especially for small- and medium-sized entrepreneurs who generally lack knowledge and access to legal information (Heuer & Seuring, 2020).

This study also confirms that the locus of control can explain young people attitudes toward entrepreneurship and the intention to be entrepreneurs. This study confirms prior works conducted by Rajh et al. (2017); Laspita et al. (2012), Liñán et al. (2011); Stevenson and Jarillo (2007). Respondents believe that their business' future sustainability is determined by their own actions (Hsu et al., 2016; Tarling et al., 2016). Many companies in Indonesia are competing to become superior companies. As a consequence, the

companies should fight hard to maintain their competitive edge (Firman et al., 2020). Globalization causes the number of competitors in business to increase, and most of the increasing number of competitors is from abroad. Sustainable growth is the primary goal of every company. Business growth is also inseparable from family business planning and the phenomenon of sustainability (Tien, 2019).

Young entrepreneurs' success or not in business, to a large extent, depends on their own abilities (Bammer et al., 2020). The ability to do business is faced with freedom in determining their life goals. Freedom in running one's own business, and achieving one's own life goals makes many people choose to become superior entrepreneurs (Mazzarol & Reboud, 2020). Some entrepreneurs use their freedom to arrange their personal life and work behavior flexibly. They can determine their own business achievement target, freedom in using resources, and not dependent on others (Minkov et al., 2019). The business activities they are involved in are tools to optimize their potential and self-actualization statements. Entrepreneurs realize that the limits to their success are all things that are determined by their own creativity, enthusiasm, and vision.

The study results showed that there is a correlation between entrepreneurial attitude, entrepreneurial intention, and preparing for entrepreneurship. These findings are in line with the results of research conducted by Jena (2020), Liñán et al. (2011), and Borasi and Finnigan (2010). These young entrepreneurs consider that an entrepreneurial career becomes an exciting profession for them (Zhao et al., 2020). Being a successful entrepreneur is everyone's dream, but to achieve that is not easy. Many obstacles always come in turns. If an entrepreneur is able to face every problem with a steady hand, he will undoubtedly become a successful and independent entrepreneur. Every entrepreneur handling every problem requires excellent individual skills (Funken et al., 2018; Singh & Majumdar, 2020; Saptono et al., 2018). This skill is generally gained from education or may be based on an entrepreneur's experience during their career.

The profession of entrepreneurs makes young people more satisfied with the extraordinary achievement of their life goals. By choosing to be an entrepreneur means that they are free from all the tedious rules of work, for example, wearing work uniforms, being in boring room designs, age restrictions, and limited time for yourself. Through freedom, while working, they are guaranteed to be happier in life (Stein, 2019). If there are opportunities and resources, these young entrepreneurs will make the best use to start entrepreneurship. Market characteristics are essential to be recognized further when conducting business opportunity analysis (Sinyard et al., 2018). Targets like what young entrepreneurs are aiming for and whether they are interested in the products that will be offered.

The last hypothesis showed that a significant influence between entrepreneurial intention and preparing for entrepreneurship. In preparing for business activities, young entrepreneurs are ready to do anything to become an entrepreneur; a great motivation is needed here both instinctively and extrinsically (Borasi & Finnigan, 2010; Boissin et al., 2006; Mahendra et al., 2017), by preparing themselves to increase their competence in business (Baion & Marfeman, 2000; Liñán, 2008). Competence is a characteristic of someone who has the skills, knowledge, and ability to conduct business (Padilla-Meléndez et al., 2014). The need for business education and training is a provision in business preparation. They will try as much as possible to start and run their own business.

Young entrepreneurs have a great determination to create business ventures in the future (Davis, 2013). Deciding to become an entrepreneur means that they decide to have enough determination, perseverance, and capital to get started. The most important capital to become a successful entrepreneur is to never give up and keep trying, although it must be admitted that many surrenders before attaining success. Successful entrepreneurs do not make problems significant obstacles, instead they see opportunities (Mcmullen & Kier, 2016). A true entrepreneur is always positive and open-minded to continue to create and innovate in order to achieve his goals (Schaefer & Minello, 2019).

The professional goal in their lives is to become a successful entrepreneur (Ang & Hong 2000). To be a successful person, young entrepreneurs need perseverance and strong mentality, need for achievement, risk perception, locus of control, attitudes towards entrepreneurship, and entrepreneurial intentions (Barbosa & Fayolle, 2006; Linden, 2017). Usually, people who are at the peak of success have different patterns and ways of thinking compared to new people who will achieve success (Cui et al., 2019; McMullen & Kier, 2016). Everyone must have a dream and a life plan they have set (Dejaeghere, 2014; Greco & Kraimer, 2020). However, the difference is, successful entrepreneurs not only have dreams, but they also do various things to achieve the goals they have set. They will write a step-by-step plan to achieve these goals (Nabi & Liñán, 2013). Indeed, Ferreira et al. (2012) and Nasip et al. (2017) also confirmed that the need for achievement is positively related to entrepreneurial intentions. This study also supports numerous works conducted (Borasi & Finnigan, 2010; Nowiński & Haddoud, 2019).

## 6. Conclusions

This study aimed to investigate the determinant factors affecting young people in preparing for entrepreneurship. The findings showed that the entrepreneurial attitude and entrepreneurial intention can be explained by the need for

achievement, risk taking, and locus of control. This study confirms a robust correlation between entrepreneurial attitude, entrepreneurial intention, and preparation for entrepreneurship. This study suggests that, first, the government institutions and universities need to be concerned about entrepreneurial programs to promote young entrepreneurs. Second, in starting a business, it is necessary to involve several stage holders in supporting their business activities, faced by young entrepreneurs. Third, young entrepreneurs still have the locus of control that needs to be increased. They need a more global mindset that makes them able to survive to run their business well. In this condition, the need for high motivation for these entrepreneurs to be able to work hard independently. Fourth, the formation of the attitude of young entrepreneurs who are very supportive of business activities is essential. In this case, entrepreneurs can make an appropriate and future-oriented analysis and have a high creative power. The need to participate in some business communities, both with beginners and those who have succeeded, will have an impact on the formation of young entrepreneurs' character. Further research should include, not only young entrepreneurs, but also students in vocational schools or vocational education. Further studies need to consider other variables such as perceived behavioral control, start-up business motivation or institutional environment, which are missing in this study.

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