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ENTREPRENEURSHIP EDUCATION AND FAMILY BUSINESS ON STUDENT'S INTENTION TO CONTINUE FAMILY BUSINESS:

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ABSTRACT

One of strategic program to develop entrepreneurship in Indonesia is to educate students at universities. This program is also run by faculty of economic and business, Widyatama University by learning entrepreneurship for two semesters. There is an interested thing for students where 44 students of 103 students are from family business. Unfortunately, most of them are reluctant to continue their parents business. It is supposed related to entrepreneurship education and family business. Research objectives are to know and analysis entrepreneurship education, family business, student's intention to continue family business, the influence of entrepreneurship education and family business toward student's intention to continue parent business. Descriptive and verificative method is used to answer research question. Data is collected from 44 students. Census is used to collect data. The results of the study indicate that entrepreneurship education influences student's intention to continue family business but smaller than influence of family business to student's intention to continue family business. Meanwhile, entrepreneurship education and family business influence student's intention to continue family business. Limitation, it's only run for three classes with one lecturer. Practical implication, university can design entrepreneurship education with focus to students intent to continue family business with prior to mapping students family business. Originality, this research provides a meaningful contribution since a lot of entrepreneurship education can't create entrepreneur.

INTRODUCTION

Indonesian government concerns to create entrepreneurs to develop innovation among others as well as job creation. Policies and programs had been created

to drive young people to be an entrepreneur. This condition cannot be separated to world condition. There is an increased national and international interest in the field of entrepreneurship due to its implication on individuals and national economic benefits (Hisrich, 2005).

Indonesian Ministry of Education cooperates with Ministry of Cooperative, Micro, Small and Medium Enterprise to create entrepreneur from higher education institution by educating students through lessons about entrepreneurship. Besides, programs are offered to students such as business incubators, business competitions and others. Government believes that entrepreneurs can be created by educational institution.

Those programs are executed by universities to make students familiar with business and management with creativity and innovation as the basic to be an entrepreneur. After they graduate, they are driven to be entrepreneur and create business or develop business after graduating from university. Schools and universities nowadays are becoming more aware of the impact of entrepreneurship education.

Widyatama University is a private university in Bandung and has 24 departments with 10.173 students form diploma, undergraduate and graduated in 2019/2020. Entrepreneurship education is taught to students for two semesters. One of faculty in Widyatama University is Economic and Business Faculty with 5.747 students.

This faculty focuses on business and management and entrepreneurship education is a mandatory subject. After graduating, students are expected to be an entrepreneur by creating business and intent to continue family business. An individual's entrepreneurial intention is viewed as an impression of enthusiasm for setting up a business or creating a venture. This feeling is owned by students to continue family business.

Research in entrepreneurship has concentrated on entrepreneurial intentions especially in light of the fact that intentions represents one of the few quantifiable results of entrepreneurship education programs (Franke & Luthje, 2004; Fitzsimmons and Douglas, 2011; Dirk, Benson, & Bruce 2013)

Unfortunately, many students are reluctant to be an entrepreneur especially to continue their parents business, meanwhile they had been taught to be an entrepreneur. An individual who belong to an entrepreneur-family has a greater chance to choose an entrepreneurial career than one hailing from non-entrepreneurial background (Akinbode, 2018, 1). This condition becomes phenomenon in Economic and Business Faculty. When students have parents who run business, they have asset to be a successful entrepreneur by developing family business.

Off course it becomes a problem in Economic and Business Faculty. Most of students are from family who run business. Their business are Herbal

medicines, agribusiness, catering and culinary, spare parts and car services, home rents, fashion, shops, services. The business had been started in 1980-es, 1990-es and 2000-es. Individuals with prior family business experience may incorporate their experiences, such that their attitudes and intentions can be either positively or negatively shaped towards entrepreneurial action (Carr & Sequeira, 2007).

This research focuses on 44 students of 103 students who gets entrepreneurial subject which grouped in to three classes. Those students are from family who run business. By doing pre research among 15 students, they want to run other business which are not related to family business. Meanwhile, their parents have run the business for years and they just continue it. Continuing family business by next generation of the family becomes strategic. Entrepreneurship — which is so essential to economic development and prosperity — is extremely rare. And maintaining a level of entrepreneurship over multiple generations is a primary concern for family firms (Guido Corbetta, 2014, 158) Actually, campus has created educational program to drive students to be an entrepreneur but students respond entrepreneurship education is only good enough. Students are educated by entrepreneurial subject in two semesters about entrepreneurship. Curriculum related to entrepreneurial mindset, entrepreneurial competency, creativity and innovation, business ideas. Teaching method focus on learning about competitors, family business and develop creativity and innovation to family business. Lecturer has entrepreneurial knowledge and business experience. Learning is also supported by facilities entrepreneurial book, business model canvass, business plan. Students responded entrepreneurship education is still low to support them to become an entrepreneur continue family business. Other variable is family business. Seven students said their family teach about family business and drive to take part in business.

Research question are how is entrepreneurial education, family business and student intention to be an entrepreneur, how is the influence of entrepreneurship education and family business toward intention to continue family business. Research objectives are to know and analysis family business, entrepreneurial education, influence of family business and toward student intention to continue parent business

LITERATURE REVIEW

Entrepreneurship Education

The growth in entrepreneurship education across the country and increasingly around the world has been well recognized (Katz, 2003; Kuratko, 2005; Torrance, 2013). Engaging students from a wide variety of academic disciplines has expanded the discourse surrounding the value of entrepreneurship education beyond that of venture creation

Many countries now increase entrepreneur through entrepreneurship education. Entrepreneurship education programs have accordingly experienced a rapid and global development within higher education over

recent decades (Neck and Greene 2011; Fayolle 2013). Entrepreneurship education consists of curriculum, teaching methodology, lecturer and facility.

FAMILY BUSINESS

Family is the smallest organization in the world and everybody decision in the family will be influenced by the family. Most of family member decisions about their future have been influenced by family. One of strategic decision for family member is about to be an employee or an entrepreneur.

Family business is defined as a business that is controlled by a dominant member of the same family and potentially sustainable across generations (Chua et al., 1999). Family business is a business activity run by family and most of families have run yearly. Event students since they are still baby until being a student of university. Business that had been being running is expected to be continues by their sons or daughters. In their efforts to stay dynamic across generations, family businesses have a number of advantages and disadvantages. But how can the advantages that family businesses have be used to renew the original entrepreneurial energy that began it all? (Guido Corbetta, 2014, 158)

Families that control businesses are often important repositories of entrepreneurial knowledge and energy, as well as of much other technical, industrial and commercial knowledge. This can often be passed down to their sons or daughters. And through their values and behavior, family members can influence how the next generation acquires its knowledge and skills (Guido Corbetta, 2014, 158)

There are three things to be remembered by family business owner to continue by their sons or daughter. They are family-related conditions: transferring the entrepreneurial spirit, firm-related conditions: financial and organizational factors and financial support (Guido Corbetta, 2014, 158 - 159)

Entrepreneurial Intention

Entrepreneurship intentions can be interpreted as the first step of a process of establishing a business that is generally long-term (Lee, S.H. & Wong, 2004).

Entrepreneurship involves a process that unravels over time; consequently entrepreneurial intention is viewed as the initial phase of the process (Kautonen, 2010; Lee et al, 2011). An individual's entrepreneurial intention is viewed as an impression of enthusiasm for setting up a business or creating a venture. Intention to continue business is also related to entrepreneurial intention because entrepreneur focuses on developing family business which is not only the same way by what their parents had done.

Entrepreneurship is related to psychological aspect and entrepreneurial education can be seen by using cognitive, affective and conative model.

THEORETICAL FRAMEWORK

There is a relationship between entrepreneurship education and entrepreneurial intention as well as family business and entrepreneurial intention. Hisrich, et al.(2008) factors affecting entrepreneur interest are the educational environment, personality of person and family environment. Research in entrepreneurship has concentrated on entrepreneurial intentions especially in light of the fact that intentions represents one of the few quantifiable results of entrepreneurship education programs (Franke & Luthje,2004; Fitzsimmons and Douglas, 2011; Dirk, Benson, & Bruce 2013).

The family plays a fundamental role in creating entrepreneurship consciousness, by exercising great influence over the desirability and feasibility for entrepreneurial intention, for the creation of an entrepreneurial business (Shapero & Sokol, 1982)

Studies have shown that childhood socialization impacts on an individual's thoughts process and feelings towards entrepreneurship (Dyer & Handler, 1994; Jackson & Rodkey, 1994) as family members' engagement in entrepreneurial tasks creates opportunity for the individual /child to develop similar perceptions (Chrisman, Chua & Sterier, 2003)

There are three research hypothesis,

- a. Entrepreneurship education influences students intention to continue family business,
- b. family business influences students intention to continue family business,
- c. Entrepreneurship education and family business influences students intention to continue family business

METHODOLOGY

The approach in this study is Descriptive and verificative. Independent variables are entrepreneurship education and family business while dependent variable is desire to continue family business. The unit of analysis is students whose parents run business. The population is 44 students whose parents run business. The study adopted a cross sectional descriptive design in which students responded to a set of structured questionnaire at one time period. The study is conducted in the census. The analysis design used is path analysis.

RESULT AND DISCUSSION

The respondents are 44 students and consist of 23 male and 21 female. Family business are Herbal medicines, agribusiness, catering and culinary, spare parts and car services, home rents, fashion, shops, services. The business had been started in 1980-es, 1990-es and 2000-es.

Students responded to which consists of curriculum, teaching method, lecturer and facility.

Table 1: Entrepreneurial Education

NO	Dimension and indicator	Mean
1	Curriculum	3.53
a	Entrepreneurial mindset	3,52
b	Entrepreneurial competences	3,56
c	Creativity and innovation	3,41
d	Business Ideas	3,63
2	Teaching Method	3.48
a	Study competitors business	3,48
b	Study family business	3,44
c	Creating creative ideas to family business	3,52
3	Lecturer	3.59
a	Business and management knowledge	3,63
b	Business Experience	3,56
4	Facility	3.50
a	Business Model Canvass	3,50
b	Business plan	3,48
c	Business sharing	3,48
d	Business consultation	3,56
e	Business and management Books	3,52

Among dimensions of entrepreneurship education variable, lecturer is the highest response by students, followed by curriculum, facility and teaching method. Lecturers are seen with competences in business and management knowledge is higher than business experience. Students see curriculum with business ideas as the highest and creativity and innovation as the lowest. Students are encouraged. Facility is seen business consultation as the highest and business plan and business sharing as the lowest. Method is seen creating creative ideas to family business as the highest and study family business as the lowest.

Students responded family business below which are consists of family-related conditions: transferring the entrepreneurial spirit, family-related conditions: transferring business and firm-related conditions: financial and organizational factors.

Table 2: Family Business

No	Indicator	Mean
1	Family-related conditions: transferring the entrepreneurial spirit	3.48
a	Sharing experience about entrepreneurship	3,52
b	Teaching about entrepreneurship	3,63
c	Directing to be an entrepreneur	3,30
d	Parent give capital start business	3,67
e	Parents support in running business	3,30
2	Family-related conditions: transferring business	3.47

a	Teaching business family	3,41
b	Sharing experience about family business	3,56
c	Students are involved in running business family	3,56
d	Supported by parent to run family business	3,48
e	Give access to family business partners	3,44
f	Give opportunity to develop family business	3,37
3	Firm-related conditions: financial and organizational factors	3.46
a	Management	3,33
b	Professionalism in running business	3,41
c	Service to customers	3,56
d	Business performance	3,56

Family-related conditions: transferring the entrepreneurial spirit is responded the highest followed by family-related conditions: transferring business and finally firm-related conditions: related conditions financial and organizational factors is responded as the lowest.

Family-related conditions: transferring the entrepreneurial spirit are responded based on indicator such as parents give capital to start business is responded as the highest followed by teaching entrepreneurship, sharing experience about entrepreneurship and directing to be an entrepreneur and parent support in running business.

Family-related conditions: transferring business are responded such as sharing experience about family business and are involved in running business family are the highest responded by students and followed by supported by parent to run family business, Give access to family business partners, Teaching business family and Give opportunity to develop family business as the lowest.

Firm-related conditions: related conditions: financial and organizational factors is respond such as Service to customers and Business performance as the highest, followed by professionalism in running business, and management and the lowest.

Regarding to desire to continue family business consist of attention, interest and desire

Table 3: Intention to Continue Family Business.

No	Indicaors	Mean
1	Cognition	3,57
a	Knowing about family business	3,59
b	Knowing about role of family in the family business	3,56

2	Affective	3,50
a	Interested to family business	3,33
b	Interested to be part of family business	3,67
3	Conative	3,37
a	Students want to joint family business	3,26
b	Students want family business bigger	3,48
a	Students want to continue family business	3,52
b	Students want my family business sustains for long time	3,48

Cognition is responded as the highest by students, followed by affective and conative. Cognition consists of knowing about family business as the highest and knowing about role of family in the family business as the lowest. Affective consists of Interested to be part of family business as the highest and Interested to family business as the lowest. Conative is responded by students want continue family business as the highest followed by students want to family business bigger and sustains for long time, want to joint family business as the lowest.

Hypothesis test

Hypothesis:

H₀: Entrepreneurship education and family business does not influence intention to continue family business

H₁: Entrepreneurship education and family business influence intention to continue family business

Below is the result of hypothesis test by using F test

Table4: Hypothesis test

Hypothesis	R ²	F count	Conclusion H ₀
Entrepreneurship education and family business ->intention to continue family business	0.862	75.185*	Rejected

* Significant $\alpha = 0.05$ (F table = 3.403)

Based on hypothesis test on table 4, f count is bigger than f table and indicates H₀ is rejected and can be concluded entrepreneurship education and family business influence intention to run business with value 86,2% and the rest, influenced by other variables.

Hypothesis test:

H₀ : $\gamma_{1i} = 0$,

a) Entrepreneurship education does not influence students intention to continue family business,

b) Entrepreneurship education influences students intention to continue family business,

$$H_1 : \gamma_{1i} \neq 0$$

- a) Family business does not influence students intention to continue family business
- b) Family business influence students intention to continue family business

RESULT

Table5: hypothesis Test

No	Hypothesis	t count	R ²	Conclusion Ho
a	Entrepreneurship education -> intention to continue family business	4,049	0,353	Rejected
b	Family business -> intention to continue family business	6,035	0,510	Rejected

*Signifikan pada $\alpha = 0.05$ (t table = 2.06)

Based on hypothesis test, partially, t count is bigger than t table which means Ho is rejected. It can be concluded Entrepreneurship education influence intention to continue family business with value 35,3%. Students receive theory about entrepreneurial mindset which one of them is about how to build vision in the business.

Besides that, learning about family business and also competitors to help them creating innovation giving by lecturer with business and management knowledge as well as business experience. Facilities provided by campus are also support understanding about business by students. This entrepreneurship education can add knowledge about family business and interested to run family business and finally, intent to run it.

Based on experience, by giving them Business Model Canvass and Business Plan, they can modify information related to competitors to their parents business as a project in the class. They know more about business of competitors and family business.

Meanwhile, family business influences intention to continue family business with value 51%. Students intent to continue family business. When they discuss with parents, a lot of information they can receive about family business from aspect of management, business performance, professionalism and also customers. Indirectly, there is a transformation about knowledge, experience of their parents to the students. This information makes new knowledge in student's minds and also makes them intent to continue family business after graduated.

Based on the results of the study, a model for improving student's intention to continue family business is presented in figure 1 as follow

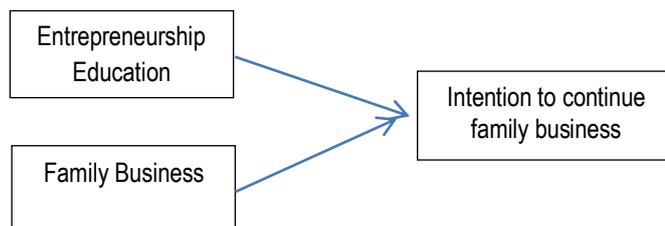


Figure 1: Model to improve intention to continue family

Compare between these two variables, family business is greater influence to intention to continue family business than entrepreneurial education. Individuals who come from families with a history of entrepreneurship are likely to be aware of these impacts of family business ownership (Fairlie & Robb, 2005).

Chua et al., (1999) a family business is one managed with the goal to refine and pursue the business' vision conceived by a coalition controlled by individuals from the same family or a number of families in a way that is conceivably maintainable across generations of the family or families.

Family business becomes school for students to learn about entrepreneurial mindset from parents. This condition describes how parents teach about entrepreneurship and support to be an entrepreneur. Others, students are also learning about family business as well as condition of their family business. It can be concluded that family business has bigger influence to student's intention to continue family business.

CONCLUSION AND RECOMMENDATION

Entrepreneurship education influences student's intention to continue family business with value 35.3% which smaller than influence of family business to student's intention to continue family business with value 51%. Meanwhile, the two variables, entrepreneurship education and family business influence student's intention to continue family business with value 86.2%. Lecturer's is the highest dimension of entrepreneurship education responded by students and teaching method is the lowest. Family-related conditions: transferring the entrepreneurial spirit is responded by student in family business variable while firm-related conditions: related conditions financial and organizational factors are responded as the lowest. Cognitive is responded as the highest by students, and conative as the lowest.

By this research, some suggestions for entrepreneurship education are more educating about creativity and innovation to students, more study about student's family business in the teaching method, increasing lecturer business experience, giving more business sharing especially in creating business plan for family business. Regarding to family business, campus communicate with

parents where they are expected to direct students to be an entrepreneur and support running business, give students an opportunity to develop family business and show professionalism in family business. In the variable of student's intention to continue family business, students are expected to know about role of family in the family business, increasing interested to family business and increase a want to joint family business.

This study has some limitations, which present opportunities for futher research. First, this study with a limited number of respondents as many as 44 students and it should be expand the population in further research. Second, this study has the remaining 13,6% is explained by other variables outside this study.

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