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## Vol. 8 No. 4 (2024)



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SUSTAINING ENTREPRENEURIAL INTENTION WITH ENTREPRENEURIAL LEARNING, ENTREPRENEURIAL KNOWLEDGE, HUMAN CAPITAL

Ida Ketut Kusumawijaya, Partiwid Astuti201-221



Abstract views: 715,

DIRECTOR'S NATIONALITY DIVERSITY AND COMPANY PERFORMANCE: THE EVIDENCE FROM EMERGING MARKET

Zaitul, Desi Ilona, Hafizah Abd-Mutalib, Eugene Okyere-Kwakye222-239



Abstract views: 428,

CAPITAL ASSET PRICING MODEL VERSUS ARBITRAGE PRICING THEORY MODEL: WHICH IS MORE ACCURATE FOR INVESTMENT?

Rosdiana, Muhammad Irfai Sohilauw240-256



Abstract views: 671,

GENDER DIVERSITY IN BOARD OF DIRECTORS AND AUDIT REPORTS LAG: EVIDENCE FROM INDONESIA

Elkabyta Auvianty Bintarto, Iman Harymawan257-273



Abstract views: 700,

THE IMPACT OF THE HALAL INDUSTRY AND ISLAMIC FINANCIAL ASSETS ON INDONESIA'S ECONOMIC GROWTH USING THE VECTOR AUTOREGRESSION (VAR) APPROACH

Imsar, Nurhayati, Isnaini Harahap, Purnama Ramadani Silalahi274-287



Abstract views: 456,



## UNDERSTANDING YOUNG ENTREPRENEURS: INTEREST IN SUPPORTING BUSINESS SUCCESS

Retno Fuji Oktaviani

288-303



PDF



Abstract views: 343,

## DETERMINANTS OF FOREIGN DIRECT INVESTMENT IN ORGANIZATION OF THE ISLAMIC COOPERATION COUNTRIES: DOES FINANCIAL DEVELOPMENT MATTER?

Zulkifli, Alan Budi Kusuma, Andi Ika Fahrika, Muhammad Adnan Azzaki

304-323



PDF



Abstract views: 553,

## STRATEGIC MANAGEMENT AT SEVERAL OF THE BEST UNIVERSITIES IN INDONESIA

Rizal Ramdan Padmakusumah, R. Wedi Rusmawan Kusumah, Solahuddin Ismail

324-341



PDF



Abstract views: 816,

## DETERMINANTS OF MONETARY VARIABLES AND PHILIPS CURVE TESTING OF INFLATION IN ASIAN COUNTRIES

Niken Hesty Wulandari, Muhammad Khoirul Fuddin

342-362



PDF



Abstract views: 392,

## GREEN INNOVATION PRACTICE ON CORPORATE'S SUSTAINABLE GROWTH IN NON-FINANCIAL: THE MEDIATING EFFECT OF ENVIRONMENTAL MANAGEMENT ACCOUNTING

Annisa Aulia Rahma Atmariansi , Dian Agustia, Yani Permatasari, Gatra Kautsar Lusandi

363-381



PDF



Abstract views: 542,

## **UNDERSTANDING YOUNG ENTREPRENEURS: INTEREST IN SUPPORTING BUSINESS SUCCESS**

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### **ABSTRAK**

*Mengurangi angka pengangguran adalah salah satu dari masalah pembangunan ekonomi yang kompleks dan sedang dihadapi berbagai negara termasuk Indonesia. Peningkatan kesadaran dan kemampuan kewirausahaan yang saat ini sedang dijalankan oleh pemerintah menjadi cara untuk memperbaiki kondisi ekonomi dan meningkatkan potensi masyarakat. Penelitian ini bertujuan untuk mengetahui bagaimana minat mahasiswa dapat mendukung kesuksesan usaha dengan memperhatikan faktor-faktor personal yang mempengaruhi kepribadian mahasiswa yaitu lingkungan, motivasi dan keterampilan. Responden penelitian adalah mahasiswa/i Universitas Budi Luhur yang pernah berwirausaha, dengan jumlah responden sebanyak 209 orang. Penelitian ini menggunakan metode Stucture Equation Model dengan Partial Least Square. Hasil penelitian menunjukkan minat dapat menjadi mediasi dari motivasi dan skill terhadap keberhasilan usaha, selain itu faktor lingkungan menjadi penentu penting meningkatkan motivasi mahasiswa untuk berwirausaha. Motivasi yang tinggi menjadi dorongan utama, keterampilan menjadi fondasi yang kuat dalam mengelola usaha, sementara minat yang mendalam menjadi faktor pendorong yang mempertahankan keterlibatan aktif dan fokus pada pengembangan bisnis. Keseluruhan, kombinasi yang seimbang dari ketiga faktor ini seringkali menjadi kunci bagi keberhasilan wirausaha mahasiswa, membantu mereka menghadapi tantangan dan memanfaatkan peluang dalam dunia bisnis yang dinamis..*

*Kata kunci: lingkungan, motivasi, keterampilan, minat, keberhasilan usaha.*

### **ABSTRACT**

Reducing unemployment is one of the complex economic development problems that is being faced by various countries, including Indonesia. Increasing awareness and entrepreneurial abilities, which are currently being carried out by the government, is a way to improve economic conditions and increase community potential. This research aims to determine how student interest can support business success by paying attention to personal factors that influence student personality: environment, motivation, and skills. The research respondents were Budi Luhur University students who had previously been entrepreneurs, totaling 209 respondents. This research uses the Structural Equation Model method with Partial Least Square. The research results show that interest can mediate motivation and skills on business success; apart from that, environmental factors are an essential determinant of increasing students' motivation to become entrepreneurs. High motivation is the main drive; skills are a strong foundation in managing a business, while deep interest is the driving factor that maintains active involvement and focus on business development. A balanced combination of these three factors is often the key to student entrepreneurial success, helping them face challenges and take advantage of opportunities in the dynamic business world.

Key words: environment, motivation, skills, interests, business success.

### **INTRODUCTION**

Indonesia is currently facing complex economic development problems, which have implications for economic growth. These

problems include the workforce and unequal employment opportunities, resulting in high unemployment rates (Telaumbanua, 2023). To reduce the unemployment rate, the go-

vernment encourages entrepreneurial abilities to absorb society's economic potential.

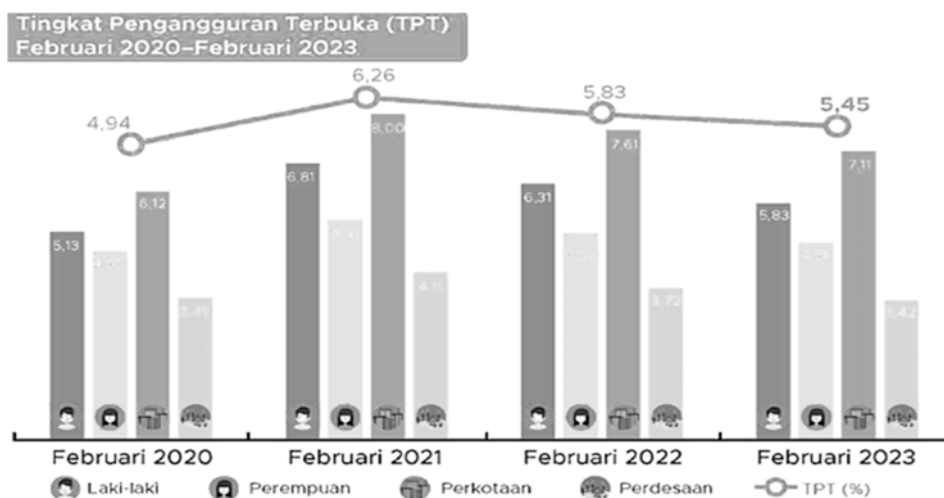
Entrepreneurship plays an essential role in a nation's life and development, so it must be present in all aspects of life. The existence of low or weak entrepreneurship makes society's dynamic movement to change itself to achieve progress plodding (Hossain et al., 2023). Developing countries, including Indonesia, still need to improve in developing entrepreneurship. The impact of weaknesses in entrepreneurship is the emergence of many unemployed graduates (Laurens and Kohardinata, 2021).

Figure 1 shows that the Open Unemployment Rate (TPT) for February 2023 was 5.45 percent, a decrease of 0.38 percentage points compared to February 2022. The number of labor force based on the National Labor Force Survey (Sakernas) in February 2023 was 146.62 million people, an increase of 2.61 million compared to February 2022. The Labor Force Participation Rate (TPAK) increased by 0.24 percentage points. The working population is 138.63 million people, an increase of 3.02 million from February 2022. The employment opportunities that experienced the most significant increase were providing Accommodations, food and drink, and other service activities, each at

0.51 million people (Badan Pusat Statistik, 2023).

The essence of entrepreneurship is a person's ability, enthusiasm, attitude, and behavior to create something new and different through creative thinking and innovative action to create business opportunities or activities that lead to efforts to find, create, apply ways of working, technology and products are good or gain large profits (Hossain et al., 2023; Tumanggor et al., 2022).

An entrepreneur is someone who has the competence to create something new and different or creative and innovative abilities, the ability and willingness to start a business, the willingness and ability to do something new, the willingness and ability to look for opportunities, the ability and courage to take risks and the ability to develop ideas. and gathering resources (Ivasciuc and Ispas, 2023). An entrepreneur is also someone who has the characteristics of trust, task, and results-oriented, reasonable risk taker, straightforward leadership, creative in producing innovation, and future-oriented; based on this, entrepreneurship is a creative and innovative ability that is used as a basis, tips and resources for seeking opportunities for success (Wati et al., 2020).



**Figure 1**  
**Open Unemployment Rate in 2023**

Source: BPS (2023)

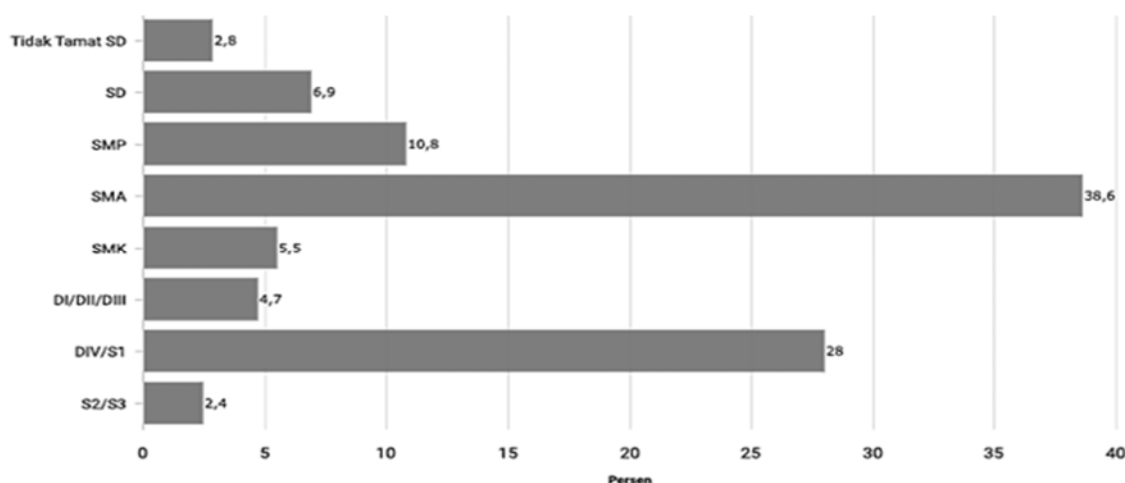


Figure 2

### Percentage of Entrepreneurs Based on Last Education

Source: Katadata (2023)

Badan Pusat Statistik (BPS) noted that there were 129,137 medium and large trading business units in Indonesia in 2020. Figure 2 shows of that number, the majority, or around 39%, are business owners who have graduated from senior high school (SMA). Meanwhile, 28% of trading business owners have a Diploma IV/S1 education level. Most educated younger generations tend to avoid the option of entrepreneurship because they prefer to work in an office rather than be self-employed (Katadata, 2023). Not having the courage to take on risky work is one of the reasons why they prefer to work as an employee with a regular monthly salary. This paradigm has been embedded in most Indonesian people who prefer office work. Students who have graduated and obtained a bachelor's degree are preparing to take various tests to get a job and work as company or government employees (Andayanti and Harie, 2020). This phenomenon proves that students are less interested in entering the business world and daring themselves. To start their own business, a person needs support from various parties so that they focus not only on looking for work as an employee but can open employment opportunities for people who need it. This entrepreneurial spirit is vital to solving the problem of poverty, which is the

national government's focus. By cultivating an entrepreneurial spirit, a person can grow independently to get a decent life without relying on other people or parents. Research conducted by Ardiyanti and Mora (2019) states that business interest significantly influences business success. An entrepreneurial spirit can grow with entrepreneurial knowledge that can be obtained from entrepreneurship education at school or taught by the family at home. With an entrepreneurial spirit, it is hoped that children can create new jobs after graduating.

Business success is primarily determined by competence, closely related to the entrepreneur's ability to maintain his business and achieve success. In general, successful entrepreneurs are those who have competence, namely someone who has the knowledge, skills, and individual qualities, which include attitudes, motivation, values, and behavior needed to carry out work or activities (Ivasciuc and Ispas, 2023; Jalil et al., 2023).

However, it takes work to run a business and maintain it because more and more entrepreneurs are found who have similar businesses. Entrepreneurs must innovate so that their businesses can run well and achieve their business goals. It takes a strong desire and determination to run a business, called entrepreneurial motivation (Lien et al.,

2022). Entrepreneurial motivation is one of the drivers for the growth and development of a person's entrepreneurial spirit. A person's success is often accompanied by solid motivation in carrying out every business they undertake. One of the motivations that business people need most is the desire to continue learning and increasing their skills. Research conducted by Reuther et al., (2023) states that motivation significantly influences entrepreneurial interest. As we all know, motivation to learn is the initial capital for entrepreneurs to develop their businesses. Therefore, we learn from successful people around us.

The family environment is the most critical primary environment for every individual. This includes father, mother, siblings, and other close family members. According to research conducted by Fauzan and Ikhwan (2023), this environment significantly impacts a person's interest in entrepreneurship. One parent can influence a child's view of the future in a family environment, especially when choosing a career. The more support and encouragement from parents towards entrepreneurship, the more likely children will be interested and choose to become entrepreneurs. On the other hand, if parents inhibit or do not support their child's interest in entrepreneurship, this can become an obstacle for the child to choose the entrepreneurial path.

Skills can indeed be called talents because each person has their skills. Skills can be honed and developed according to the goals of a business. If a business has employees or skilled people, then that is an added value that the business has. The added value in question is that when a business has skilled people, it has an advantage in competing in the business world, which can increase business growth. Entrepreneurial skills refer to an individual's capacity to harness ideas and innovation using education and acquiring knowledge to generate and deliver something of enhanced worth for both personal gain and the benefit of others (Iskandar and Safrianto, 2020). Good bu-

siness performance shows that entrepreneurial skills are a determinant in achieving business success. Research conducted by Aziz (2019) states that skills have a significant influence on entrepreneurial interest.

Indonesia is currently grappling with complex economic development issues that have ramifications for economic growth, including workforce dynamics and unequal employment opportunities, leading to high unemployment rates. To address the unemployment challenge, the government is fostering entrepreneurial capabilities to tap into society's economic potential. However, the development of entrepreneurship in Indonesia, like in many developing countries, remains weak, contributing to phenomena such as large numbers of educated unemployed individuals (Laurens and Kohardinata, 2021).

The novelty of this research lies in its exploration of the reluctance of educated young Indonesians to engage in entrepreneurship despite government initiatives. Figures indicate that many trading business owners possess only high school or diploma-level education, while many graduates opt for employment over entrepreneurship. This mindset is rooted in a preference for stable employment, with risk aversion cited as a primary reason. Consequently, many graduates pursue traditional employment opportunities, perpetuating the prevailing paradigm.

However, fostering an entrepreneurial spirit is crucial for addressing poverty, which is a national focus. Individuals can strive for financial independence and contribute to economic growth by instilling entrepreneurial values. Moreover, research has shown a significant link between entrepreneurial interest and success (Ardiyanti and Mora, 2019), underscoring the importance of early cultivating an entrepreneurial mindset. Additionally, business success hinges on competence, encompassing knowledge, skills, and individual qualities (Ivasciuc and Ispas, 2023; Jalil et al., 2023). Nevertheless, sustaining a business amidst increasing com-



petition necessitates innovation and strong motivation (Lien et al., 2022). Entrepreneurial motivation drives business growth and development, including the desire for continuous learning and skill enhancement (Reuther et al., 2023). Family support plays a pivotal role in shaping entrepreneurial aspirations, with parental encouragement significantly influencing a child's career choices.

Furthermore, entrepreneurial skills, honed through education and knowledge acquisition, are indispensable for business success and competitiveness. This research explores the reluctance of educated Indonesian youth to embrace entrepreneurship despite governmental efforts. It underscores the importance of fostering an entrepreneurial spirit from an early age, supported by familial encouragement and the development of essential entrepreneurial skills. By addressing these factors, Indonesia can nurture a new generation of entrepreneurs who are vital for sustainable economic development and prosperity.

## **THEORETICAL REVIEW**

### **Business Success**

Study Saoula et al., (2023) Regarding small entrepreneurs in Singapore, the results show that from 85% of respondents who answered: 70% of entrepreneurs use net profit growth to measure business success, sales profit growth (61%), profit after tax (return on investment) (50%), and market share (48%). Of the 38% of entrepreneurs who use the success criteria of net profit (net profit growth), they think achieving 6 - 10% annual growth indicates business success (Duncan-Horner et al., 2022; Huang et al., 2023).

### **Keys to Small-Scale Success**

This form of small business is successful because entrepreneurs have intelligent brains, namely creative and curious. They follow technological developments and can apply them productively. They have abundant energy, drive, and assertive abilities. Research Li and Sanusi (2023) also suggested

that personality is a factor that determines the success of small-scale businesses. The most important element behind business success is entrepreneurial skills to recognize a specific market and develop a business in that market (Ritonga et al., 2022).

Recognizing product trends in the market faster than competitors is the key to success, along with the quality of relationships and customers. Malhotra and Kiran (2023) the research found that three important factors determine the success of small-scale businesses: a written business plan, new product development, and the presence of a strong sales and marketing team.

### **Business Interests**

An interest in entrepreneurship that grows within a person is a symptom that shows that a person is interested and happy with the world of entrepreneurship or entrepreneurship. As per Saoula et al., (2023), entrepreneurial interest signifies an individual's inclination towards initiating a business venture involving organization, management, risk-bearing, and development of the created business. Conversely, Jalil et al., (2023) suggest that factors prompting interest and the desire to pursue entrepreneurship encompass curiosity, willingness to undertake risks, educational influences, and personal experiences of individuals.

A person interested in entrepreneurship is characterized by being happy, enthusiastic, not shy, and has no hesitation in running a business. Some people enjoy business activities because this work is quite promising for the future. To face competition in entrepreneurship, you need skills to create something new and support the business process. The more skills people master, the higher their business interests will be and the more opportunities they will have to open their businesses (Huang et al., 2023).

According to the viewpoints of the experts mentioned above, entrepreneurial interest embodies an individual's aspiration, enthusiasm, and bravery to venture into the

business realm by employing creativity and innovation to propel their enterprise forward. Entrepreneurial interest encapsulates the eagerness, curiosity, and determination to diligently strive or exhibit a resilient commitment to efficiently address one's life necessities without apprehension of potential risks, alongside a resolute determination to derive lessons from setbacks. An interest in entrepreneurship entails directing one's focus toward entrepreneurship driven by a fondness and a fervent desire to explore, understand, and further validate the realms of entrepreneurship (Duncan-Horner et al., 2022).

### **Environment**

The environment comprises all aspects of this world that impact an individual's behavior, development, or life processes, excluding genes. Genes can also be perceived as shaping the environment for future generations (Fauzan and Ikhwan, 2023). It serves as an external element significantly impacting the cultivation of entrepreneurial interest and aiding in business success, aligning with findings from the study (Tammie et al., 2019).

States that the environment is everything that exists in the natural surroundings that has a particular meaning or influence on individuals (Fauzan and Ikhwan, 2023). Meanwhile, we must strive for an excellent environment to positively influence children or students and allow them to learn as well as possible. The learning environment consists of the social environment, namely the community environment, whether large groups or small groups; the personal environment includes individuals as individuals who influence other individuals; the natural (physical) environment includes natural resources that can be utilized as learning resources, the cultural environment includes cultural and technological results that can be used as learning resources and can be a supporting factor for learning. The environment plays a significant role in the growth and development of children; the

environment is the family that cares for and raises children, the school where they are educated, the community where they socialize and play daily, and the natural conditions with their climate, flora, and fauna. The environment is not only the humans around but also all the creatures around.

This research emphasizes that the entrepreneurial environment shapes an individual's behavior and traits. As per this theory, environmental elements within entrepreneurship impact an individual's drive toward entrepreneurial pursuits.

H<sub>1</sub>: Environmental factors influence entrepreneurial motivation

### **Motivation**

Motivation is a hidden force within a person that encourages him to behave and act in a typical way (Lien et al., 2022). Motivation is a psychological process that reflects the interaction of attitudes, needs, perceptions, and decisions that occur within a person. According to McDonald (Li and Sanusi, 2023), the motivation that underlies students carrying out the entrepreneurial process is divided into two things, namely: Intrinsic motivation, meant intrinsic motivation motives that become active or functioning and do not need to be felt from outside because every individual has the urge to do something. The motivation in individuals that underlies the process of entrepreneurship is one's desires, compulsion due to lack of economy, the desire to earn one's income, and others that originate from within the individual. Second, extrinsic motivation, which is meant by extrinsic motivation, is active and functions outside the individual. In this case, students are found in the school environment where they gather and do activities. The extrinsic motivation that underlies students to carry out the entrepreneurial process is the school environment, friends, teachers, and other people outside the individual.

Motivation is one of the success factors for entrepreneurs in completing their tasks (Ivasciuc and Ispas, 2023). The greater the

motivation, the greater the success achieved. Research by Reuther et al., (2023) states that motivation supports business continuity and success.

H<sub>2</sub>: Motivation influences business success.

### Skills

Skills are needed to turn ideas into action. Entrepreneurial Skills are the basic skills necessary to enable a person to start, develop, finance, and succeed in an enterprise (Aziz, 2019; Sabella et al., 2022). Creating new products and services requires the skills to generate networking, professional communications, marketing, and business setup (Hossain et al., 2023). Skills to recognize opportunities, family entrepreneurial background, and initial knowledge are issues that influence entrepreneurial interest and success; according to research conducted by (H and Iffan, 2021), skills significantly influence business success.

H<sub>3</sub>: Skills influence business success

### Interest

Interest in entrepreneurship focuses on entrepreneurship because of liking and a desire to learn, know, and prove more about entrepreneurship (Malhotra and Kiran, 2023). Someone interested in entrepreneurship will tend to be interested in creating a business and then organizing, managing,

bearing risks, and developing the business they create (Duncan-Horner et al., 2022) as in line with research conducted by Ardiyanti and Mora (2019), which states that interest significantly influences business success.

H<sub>4</sub>: Interest influences business success

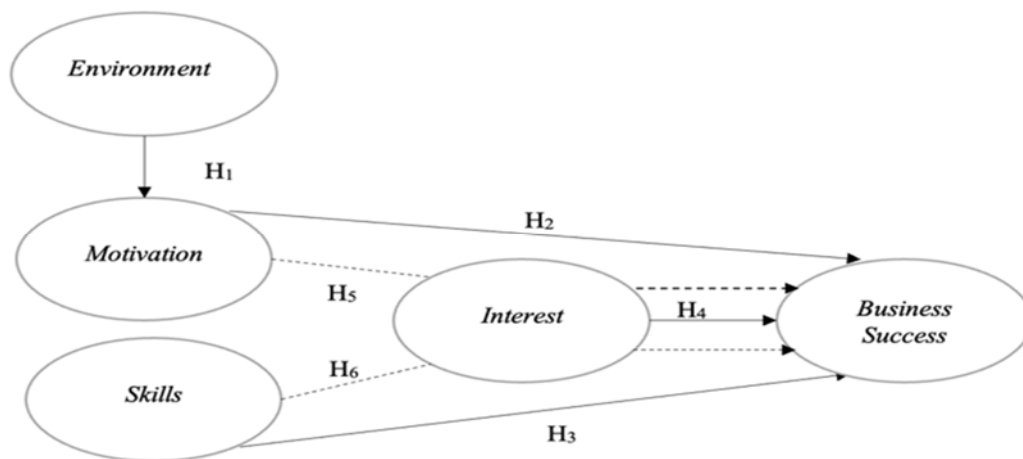
Entrepreneurial motivation is a strong urge within a person to start actualizing one's potential in creative and innovative thinking to create new products and add value (Andayanti and Harie, 2020). A person's interest in an object, which usually begins with a person's inclination to carry out entrepreneurship, can strengthen the success of a person's business (Sabella et al., 2022).

H<sub>5</sub>: Interest can mediate the influence of motivation on business success

Entrepreneurial Skills show how confident a person is in having a relatively high level of skills related to entrepreneurship (H and Iffan, 2021). Having this ability can make individuals feel more capable of starting a company. Likewise, with entrepreneurship, these skills can be more easily implemented as an entrepreneur. Having the interest of someone with a deep desire to run a business can strengthen the business's success (Iskandar and Safrianto, 2020).

H<sub>6</sub>: Interest can mediate the influence of skills on business success

Research model can be seen in figure 3.



**Figure 3**  
**Research Model**

Source: processed data by author

## RESEARCH METHODS

This research is survey research, which takes samples directly from the population. Judging from the problems studied, this research is causality research, which aims to analyze the relationship and influence (cause-effect) of two or more problems through hypothesis testing. Explanatory research studies the relationship between two or more variables and then attempts to explain the phenomena that occur.

A population is the totality of specific characteristics determined by researchers to be studied and conclusions drawn (Oktaviani, 2017). Therefore, a researcher needs to understand the characteristics of the research population. The critical thing to pay attention to is the homogeneity or heterogeneity of a population. The population in this study was students at Budi Luhur University who had previously run a business or were entrepreneurs.

The research sample is part of the population to be studied. A sample is part of a population taken in a certain way as determined by the researcher. In determining the sample size, the author used the Snowball sampling technique, a sampling technique based on correspondence. The author requested information from first-hand samples to obtain subsequent samples until the research sample requirements were met with 209 respondents. This research uses the structural equation model method with partial least square.

## ANALYSIS AND DISCUSSION

This research used a questionnaire that was distributed directly to respondents, namely students at Budi Luhur University who had previously run a business or were entrepreneurs. The total number of research subjects was 209, based on gender, faculty, and type of business run.

Based on table 1, data regarding gender was obtained from 209 respondents, where 36% were male and 64% were female. Respondents regarding faculty origin had the most significant respondents from faculties:

FEB at 98%, then FKDK at 18%, FTI at 17%, FISSIG at 16%, and FT at 2%. Respondents regarding the type of business include the food beverage business at 58%, electronics at 5%, toys at 7%, fashion at 27%, and others at 2%.

**Table 1**  
**Respondent Identity**

	Amount	Percentage
<b>Gender</b>		
Man	75	36%
Woman	134	64%
<b>Faculty</b>		
FEB	98	47%
FTI	35	17%
FISSIG	33	16%
FKDK	38	18%
FT	5	2%
<b>Type of business</b>		
Food & Beverage	122	58%
Electronics	11	5%
Toys	15	7%
Fashion	56	27%
Others	5	2%

*Source: Output SmartPLS, 2024*

## Outer Models Test

This measurement model is used to measure the validity and reliability of a study.

## Validity Test Results

In this research, testing the validity of instruments in PLS uses convergent validity, which consists of Factor Loading (Outer Loading) and Average Variance Extracted (AVE) values. Discriminant validity tests are measured using the Fornell-Larcker Criterion and Cross Loading.

## Factor Loading

Table 2 shows the validity test results for the environmental, motivation, skill, interest, and business success variables show that each indicator has a loading factor value of > 0.6. In contrast, indicators with a value of > 0.7 are declared to have high validation. So, all the indicators above are declared valid and successfully reflect the variables.

**Table 2**  
**Factor Loading**

	<i>BS</i>	<i>Env</i>	<i>Interest</i>	<i>Motivation</i>	<i>Skills</i>
BS_1	0.791				
BS_2	0.811				
BS_3	0.831				
En_1		0.740			
En_2		0.852			
En_3		0.846			
En_4		0.771			
I_1			0.878		
I_2			0.782		
Mo_1				0.791	
Mo_2				0.888	
Mo_3				0.795	
Sk_1					0.836
Sk_2					0.905
Sk_3					0.892

Source: Output SmartPLS, 2024

#### Average Variance Extracted (AVE)

From table 3, it can be explained that environment, motivation, skill, interest, and business success each have an AVE value of 0.646, 0.682, 0.772, 0.691, and 0.658, which means that all variables have met the evaluation because the AVE coefficient value is  $> 0.5$ .

**Table 3**  
**Average Variance Extracted (AVE)**

	(AVE)	Information
<i>Business success</i>	0.658	Valid
<i>Environment</i>	0.646	Valid
<i>Interest</i>	0.691	Valid
<i>Motivation</i>	0.682	Valid
<i>Skills</i>	0.772	Valid

Source: Output SmartPLS, 2024

#### Fornell-Larcker Criterion

Table 4 shows the AVE value for all variables is greater than the correlation between constructs in the model, which means that all variables have met the feasibility of the Fornell-Larcker evaluation model.

**Table 4**  
**Fornell-Larcker**

	<i>BS</i>	<i>Env</i>	<i>Int</i>	<i>Motiv</i>	<i>Skills</i>
<i>BS</i>	0.811				
<i>Env</i>	0.768	0.804			
<i>Int</i>	0.756	0.799	0.831		
<i>Moti</i>	0.811	0.787	0.665	0.826	
<i>Skills</i>	0.780	0.788	0.751	0.771	0.878

Source: Output SmartPLS, 2024

**Table 5**  
**Composite Reliability**

	Composite reliability (rho_c)	Note
Business success	0.852	Reliable
Environment	0.879	Reliable
Interest	0.817	Reliable
Motivation	0.865	Reliable
Skills	0.910	Reliable

Source: Output SmartPLS, 2024

#### Reliability Test Results

From table 5, it can be explained that environment, motivation, skill, interest, and business success each have values of 0.879, 0.865, 0.910, 0.817, and 0.852, which means that the coefficient value has a high level of reliability because the value is  $> 0.8$ .

#### Inners Models Test

A structural model is a model for predicting causal relationships between latent variables.

**Table 6**  
**R Square**

	<i>R-square</i>	<i>R-square adjusted</i>
<i>Business success</i>	0.755	0.752
<i>Interest</i>	0.582	0.578
<i>Motivation</i>	0.619	0.617

Source: Output SmartPLS, 2024



### R Square Test Results

From table 6, it can be explained that the environment dramatically influences motivation, namely 61.9%. Furthermore, motivation and skills significantly influence interest, namely 57.8%. The influence of motivation, skills, and interest greatly influences business success, amounting to 75.2%, meaning that for every change in the motivation, skill, and interest variables, business success will also experience a change of 75.2%.

### F Square Test Results

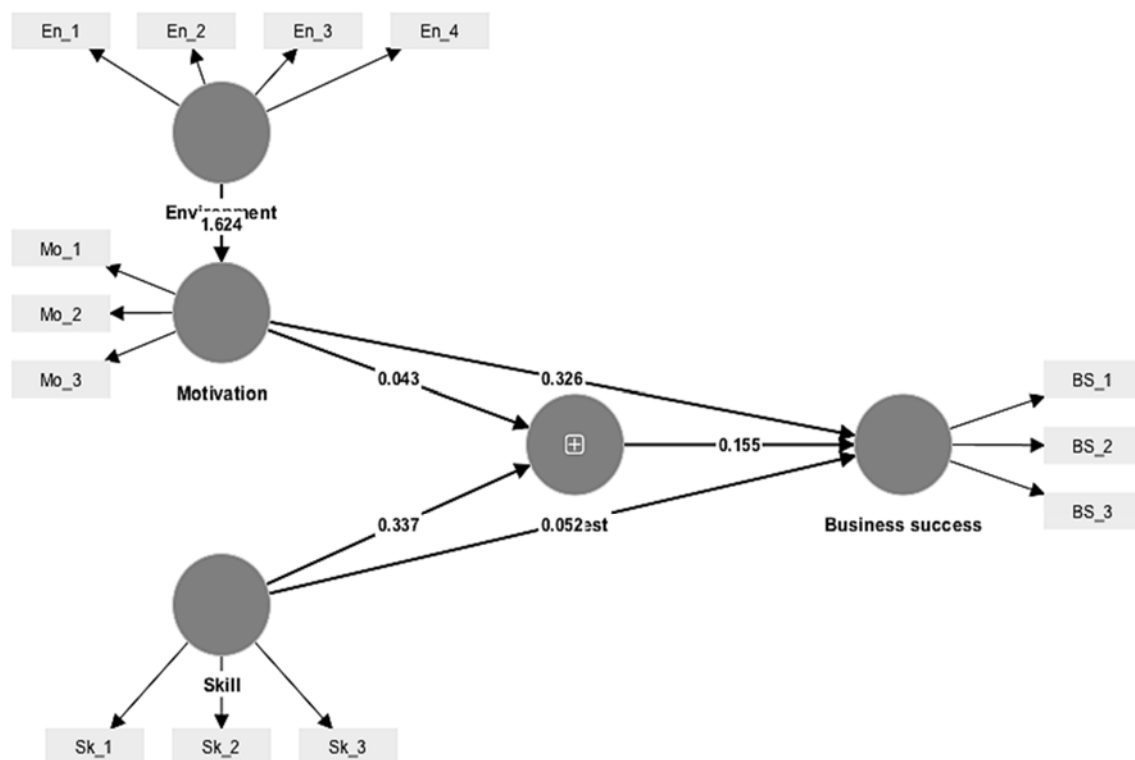
Table 7 shows the results of the effect testing are that environmental variables significantly impact the F square value of the motivation variable, namely 1.624. The motivation variable has a moderate impact on the F square value of the interest variable, namely 0.043. The skill variable significantly impacts the F Square value of the actual

interest variable, namely 0.337. The interest variable significantly impacts the F Square value of the business success variable, namely 0.155. The motivation variable significantly impacts the F Square value of the business success variable, namely 0.326. The skill variable has a moderate impact on the F Square value of the business success variable, namely 0.052. Figure 4 shows inner models of the research.

**Table 7**  
**F Square**

	<i>BS</i>	<i>Int</i>	<i>Motivation</i>
<i>BS</i>			
<i>Env</i>			1,624
<i>Int</i>	0.155		
<i>Motiv</i>	0.326	0.043	
<i>Skills</i>	0.052	0.337	

Source: Output SmartPLS, 2024



**Figure 4**  
**Inner Models**

Source: Output SmartPLS, 2024

**Table 8**  
**Hypothesis Testing**

	<b>T stat</b>	<b>P values</b>
Environment -> Motivation	26,527	0,000
Motivation -> Business Success	6,121	0,000
Skills -> Business Success	2,722	0.007
Interest -> Business Success	4,567	0,000
Motivation -> Interest -> Business Success	2,202	0.028
Skill -> Interest -> Business Success	3,977	0,000

*Source: Output SmartPLS, 2024*

### Hypothesis testing

From table 8, it can be concluded that the results of hypothesis testing are:

H<sub>1</sub>: Environmental factors influence entrepreneurial motivation

Based on the test results, the environmental variable on motivation has a T-statistic value of 26.527 or a P value of 0.000, so H<sub>1</sub> is accepted because the T statistic is greater than 1.971 and the P value is smaller than 0.05. Thus, it is concluded that environmental variables significantly influence entrepreneurial motivation among Budi Luhur University students.

H<sub>2</sub>: Motivation influences business success.

Based on the test results, the motivation variable for business success has a T-statistic value of 6.121 or a P value of 0.000. Therefore, H<sub>2</sub> is accepted because the T statistic is greater than 1.971 and the P value is smaller than 0.05. Thus, it is concluded that the motivation variable has a significant influence on business success for Budi Luhur University students.

H<sub>3</sub>: Skills influence business success

Based on the test results, the skill variable on business success has a T-statistic value of 2.722 or a P value of 0.007, so H<sub>3</sub> is accepted because the T statistic is more significant than 1.971 and the P value is smaller than 0.05. Thus, it is concluded that the skill variable significantly influences the success of Budi Luhur University students in business.

H<sub>4</sub>: Interest influences business success

Based on the test results, the variable interest in business success has a T-statistic value of 4.567 or a P value of 0.000, so H<sub>4</sub> is

accepted because the T statistic is more remarkable than 1.971 and the P value is smaller than 0.05. Thus, it is concluded that the interest variable significantly influences the success of Budi Luhur University students in business.

H<sub>5</sub>: Interest can mediate the influence of motivation on business success

Based on the test results, the interest variable can moderate the influence of motivation on business success with a T-statistic value of 2.202 or a P value of 0.028. Therefore, H<sub>5</sub> is accepted because the T statistic is greater than 1.971 and the P value is smaller than 0.05. Thus, it is concluded that the interest variable can moderate the influence of motivation on business success among Budi Luhur University students.

H<sub>6</sub>: Interest can mediate the influence of skills on business success

Based on the test results, the interest variable can moderate the influence of skills on business success with a T-statistic value of 3.977 or a P value of 0.000, so H<sub>6</sub> is accepted because the T statistic is more significant than 1.971 and the P value is smaller than 0.05. Thus, it is concluded that the interest variable can moderate the influence of skills on business success for Budi Luhur University students.

## DISCUSSION

### Environmental Factors Influence Entrepreneurial Motivation

The research results show that environmental variables influence entrepreneurial motivation. So, the environment includes all

conditions in this world that, in specific ways, influence a person's behavior, growth, or life processes except genes, and even genes can also be seen as environmental preparation (to provide) for generations. Other. The environment is an internal and external factor that significantly motivates students to become entrepreneurs and helps their businesses succeed. An environment rich in resources, such as good education, adequate infrastructure, access to business capital, and extensive networks, can increase a person's motivation to start a business. Cultural values in a particular environment can influence perceptions of risk, failure, or success in entrepreneurship. An environment encouraging business-related risk-taking can motivate individuals to start their businesses. An environment with a strong network and support from family, friends, or the entrepreneurial community can increase an individual's motivation to run a business. The results of this study are consistent with research conducted by Tammie et al., (2019), which states that the environment influences a person's motivation to become an entrepreneur.

#### **Motivation Influences Business Success**

The research results show that motivation variables influence business success. Thus, motivation is a hidden force within a person that encourages him to behave and act in a typical way. Motivation is a psychological process that reflects the interaction of attitudes, needs, perceptions, and decisions that occur within a person. Motivation is one of the success factors for entrepreneurs in completing their tasks. The greater the motivation, the greater the success achieved. High motivation can encourage someone to take action, overcome challenges, stay focused on business goals, help face obstacles, and maintain enthusiasm in developing the business. Strong motivation can increase a person's mental and emotional resilience when facing failure or difficulties in running a business. Apart from that, motivation can also encourage creativity to find the best

solutions in managing a business. Sustained motivation helps people stay consistent and focused on long-term business goals, enabling them to get through difficult times and commit to their vision. The results of this study are consistent with research conducted by Reuther et al., (2023) state that motivation supports business continuity and success.

#### **Skills Influence Business Success**

The research results show that the skill variable influences business success. The skills are needed to turn ideas into action. Entrepreneurship skills are the essential skills students need to start, develop, finance, and succeed in something. The ability to create new products and services requires the skills to generate networking, professional communications, marketing, and business setup. Skills to recognize opportunities, family entrepreneurial background, and prior knowledge are issues that influence entrepreneurial interest and success. Strong technical skills in technology, finance, marketing, or production can influence product or service quality. The ability to deliver technically superior products or services increases competitiveness. Managing time, resources, and people effectively is critical to business success. Entrepreneurs who have good management skills can optimize operations and increase productivity. Strong leadership skills enable one to motivate teams, inspire collaboration, and build a positive work culture. The skill can impact the performance and overall success of the business. Communicating effectively with customers, partners, and employees is essential to building strong relationships and a better understanding market needs. The results of this study are consistent with research conducted by (H and Iffan, 2021). Namely, skills significantly influence business success.

#### **Interest Influences Business Success**

The research results show that the interest variable influences business success. This shows that interest is a focus of attention

on entrepreneurship because of a feeling of liking and a desire to learn, know, and prove further about entrepreneurship. Someone interested in entrepreneurship will likely be interested in creating a business and then organizing, managing, bearing risks, and developing the business they create. A strong interest in a field or industry motivates a person to continue learning and developing the skills needed. It helps in improving products, services, or business processes. Great interest in the business being run results in a more substantial commitment to persist and succeed despite facing obstacles or challenges. When someone is interested in a particular field, they tend to be more creative in finding solutions to problems that arise in running a business. A business built around a strong interest can be reflected in the way the product or service is delivered to customers, which can increase credibility and customer satisfaction. The results of this study are consistent with research conducted by Ardiyanti and Mora (2019), which states that interest significantly influences business success.

#### **Interest can Mediate the Influence of Motivation on Business Success**

The research results show that interest variables can mediate the influence of motivation on business success. Accordingly, entrepreneurial motivation is a strong drive from within a person to start actualizing one's potential in creative and innovative thinking to create new products with added value. Motivation is the starting point for starting a business, often driven by factors such as the drive to achieve success, the desire to innovate, or the ambition to overcome challenges. It is supported by a strong interest in a particular field or industry that can guide actions. It can be a basis that motivates the student to focus on specific aspects of business that suit his interests. A strong interest in a particular business field can maintain consistency in business. Despite facing obstacles or failure, a strong interest in the business can help students

persist because it motivates them to understand the market and customer needs better, which can positively impact marketing strategies and products offered. Having a person's interest in an object, which usually begins with a person's inclination to carry out entrepreneurship, can strengthen the success of a person's business (Sabella et al., 2022).

#### **Interest can Mediate the Influence of Skills on Business Success**

The research results show that interest variables can mediate the influence of skills on business success. The entrepreneurial skills show how confident a person is in having a relatively high level of entrepreneurship-related skills. Having this ability can make students feel more capable of starting a company. A person's skills, such as technical, managerial, communication, or creativity skills, are the foundation for running a business. Meanwhile, a strong interest in a particular field or industry is a driving force for using these skills effectively. High interest will guide someone to direct their skills in business according to their interests. Skills can be thought of as tools for implementing ideas or concepts. High interest in a particular field encourages using these skills to produce innovation and creative solutions. Skills supported by a strong interest significantly impact the market or customers because of the tendency to deepen and understand market needs. Having the interest of someone with a deep desire to run a business can strengthen the success of the business (Iskandar and Safrianto, 2020).

#### **CONCLUSIONS AND SUGGESTIONS**

Based on the results of research and discussion, it can be concluded as follows: 1). Environmental factors significantly influence entrepreneurial motivation; 2). Motivation has influence, which is significant to business success; 3). Skills have influence, which is significant to business success; 4). Interest has a significant influence on business success; 5). Interest can significantly mediate the

influence of motivation on business success; 6). Interest can significantly mediate the influence of skills on business success.

Researchers know the shortcomings and limitations in completing this research because efficiency and effectiveness factors greatly influence it. The limitations of this research are that the sample size used needs to be more representative or the size is too small for the total population, the research results may not be widely generalized, and are only specific to Budi Luhur University students. Other unobserved or measurable factors may have influenced the study results, which may have yet to be identified during the study.

Based on the results of the research that has been conducted, the researcher provides suggestions for future researchers to ensure that the sample selected includes a variety of backgrounds, ages, genders, and levels of education to illustrate diversity in the factors studied. Consider other factors that may influence the relationship between the variables under study. Control these variables for more accurate research results and consider a longitudinal approach, namely conducting research that observes subjects over time to understand how changes in these factors can influence business success in the long term.

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