

ENTREPRENEURSHIP MOTIVATION BEHIND ENTREPRENEURSHIP INTENTION WITH A FAMILY BUSINESS BACKGROUND

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ABSTRACT

A person's entrepreneurial intention is influenced by several factors which can be seen in an integral framework involving various internal factors, external factors, and contextual factors. Creating a job field requires a high and strong intention and motivation so that it can be realized. Apart from high intentions and motivation, it should also be accompanied by background. The purpose of this study is to determine the effect of the family business on entrepreneurial intention through entrepreneurial motivation. This research is a quantitative type with an explanatory descriptive. The research population was all Marble Craftsmen in Tulungagung of 267 Marble Craftsmen and obtained a sample of 157 respondents. The questionnaire used in this study is closed. The research scale used is the Likert Scale. Instrument trials use validity and reliability tests. Data analysis techniques using descriptive statistical analysis, path analysis, and hypothesis testing. The research results show that there is an influence of family business on entrepreneurial motivation. There is an influence of family business on entrepreneurial intention. There is an influence of entrepreneurial motivation on entrepreneurial intention. There is the influence of family business on entrepreneurial intention through entrepreneurial motivation

Keywords: *Family Business, Entrepreneurial Intention, Entrepreneurial Motivation*

INTRODUCTION

Entrepreneurship is an important issue in the economy of a developing nation. The progress or decline of a nation's economy is largely determined by the existence and role of groups of entrepreneurs (Belchior & Lyons, 2021). Creating a job field requires a high and strong intention and motivation so that it can be realized. Apart from high intentions and motivation, it should also be accompanied by a background (Alam et al., 2019).

One form of entrepreneurship that can compete in the current era is Family Business. Calabrò et al. (2019) stated that a company is classified as a family company when the owner thinks and wants his company to be a family company. Suddaby & Jaskiewicz (2020) that family companies are controlled by a single family member, especially in the process of making important business decisions. A family business in this study is a business that is owned or managed by several people who have family relationships, both husband and wife and their descendants, including brotherhood. The indicators of this research can be measured through (a) the Succession of the Family Business, (b) the Contribution of Family Members, and (c) Company Management.

To set up a business, including a family business, the prior intention is required to start a business to be established. The theory of Planned Behavior states that a person's intention to perform a behavior, the intention is an intermediate variable that causes behavior from an attitude or other variables (Delanoë-Gueguen & Liñán, 2019). Entrepreneurial intention can be referred to as the achievement of an intentional expectation and belief of an individual regarding his intention to start a new business venture in the future (Joensuu-Salo et al., 2020). The use of behavioral theory cannot be separated from aspects of entrepreneurial motivation or entrepreneurial intention, meaning that entrepreneurship can be learned and mastered, and entrepreneurship can be a choice of work and career choice for everyone if indeed the person has the intention and motivation to become an entrepreneur. An individual's decision to become an entrepreneur can be made if they are willing and aware (Meoli et al., 2020).

Therefore everyone can become an entrepreneur if they want to. If someone has the intention to start, of course, it will be a good start for entrepreneurship (Tan et al., 2020). Agree with the statement above that starting entrepreneurship can be influenced by several factors, such as needs, values, desires, habits, and beliefs (Aboobaker & Renjini, 2020). The intention is one of the most important things for an individual to start entrepreneurship. Entrepreneurial Intention in this study is the intention from within each craftsman related to entrepreneurship,

the intention that exists in a person to create a business that can provide jobs for himself and others with the provision of independence, courage, and creativity. In research, indicators can be measured through (a) Entrepreneurial Readiness, (b) Career Choices, (c) Entrepreneurial Desire, and (e) Entrepreneurial Intentions.

However, in addition to having an intention, motivation is needed in various areas of life, one of which is to become an entrepreneur or an entrepreneur. According to Ng & Jenkins (2018), The topic of motivation in the entrepreneurial literature has developed along paths related to the field of one's psychology. In addition, Picone et al. (2021) proposed two explanations related to entrepreneurial motivation, namely the "push" theory and the "pull" theory. The "push" theory argues that individuals are driven to entrepreneurship by negative forces that come from outside themselves, such as job dissatisfaction, difficulty finding work, insufficient pay, or inflexible work schedules. Meanwhile, the "pull" theory argues that individuals are attracted to entrepreneurial activities because they seek independence, self-fulfillment, wealth, and desired results. From the description above it can be concluded that motivation is the driving force within a person that provides energy and directs one's actions to achieve a goal, namely entrepreneurship. Entrepreneurial Motivation in this study is a person's motivation to do entrepreneurship to increase income and choose to be free from pressure. In this study, indicators of motivation in entrepreneurship include (a) Entrepreneurial Opportunities, (b) Independent Work, (c) Entrepreneurial Desire, (d) Family Support, (e) Economic Conditions, and (f) Entrepreneurial Freedom.

Currently, in Indonesia, there are various types of business activities and industries that are developing. One of them is local economic development, which is a form of business development in an area to increase the income of an entrepreneur. In addition, the development of local business and industrial activities in Indonesia, can encourage the growth of regional economic activities and can create jobs. This is aimed at success in developing the local economy of an area.

One of the local industries in Indonesia is the Marble Industry, located in the City of Tulungagung an industry that is growing very rapidly. One of the well-known industries in this area is the manufacture of natural stone crafts such as marble and onyx. This industry is almost managed by every citizen in the area. In general, the business is a home industry, although some are already on a medium scale or include a limited liability company. If we visit this industrial

area, we will immediately be greeted by rows of showrooms and places for making natural stone crafts. Some focus on making home decorations such as statues, urns, and so on, and some focus on home appliances such as sinks, bathtubs, dining tables, and others.

Based on official data from the Tulungagung Regency Industry and Trade Office, it is stated that in Tulungagung Regency there are several units of marble craftsmen scattered in several villages. Around 267 craftsmen have set up businesses in the marble industry. The business unit has absorbed a large number of workers, almost all of whom come from Tulungagung Regency. The special expertise possessed by the Tulungagung people in making marble crafts makes Tulungagung have the characteristics of marble crafts compared to other regions.

Based on the problems and theoretical and empirical studies that underlie this research, the hypotheses in this study can be formulated:

H1: There is an influence of Family Business on Entrepreneurial Motivation in Marble Craftsmen in Tulungagung.

H2: There is an influence of Family Business on the Entrepreneurial Intention of Marble Craftsmen in Tulungagung.

H3: There is an influence of Entrepreneurial Motivation on the Entrepreneurial Intention of Marble Craftsmen in Tulungagung.

H4: There is an influence of Family Business on Entrepreneurial Intention through Entrepreneurial Motivation in Marble Craftsmen in Tulungagung.

RESEARCH METHOD

This research uses a quantitative approach with several variables to be tested for their influence with the resulting data in the form of numbers. This research is a descriptive explanatory study, which means it describes the effect of the variables studied (Creswell, 2013). Descriptive means explaining and analyzing research variables. While explanation means looking for causal influences between research variables through hypotheses. The population that the researchers used in this study were all Marble Craftsmen in Tulungagung of 267 Marble Craftsmen. From the population that the researchers have described above, a sample can be taken according to the sample measurement according to Krejcie & Morgan (1970) or it is stated that with a population of 267 respondents, a sample of 157 respondents is obtained. The

questionnaire used in this study is closed. The research scale used is the Likert Scale. Instrument trials use validity and reliability tests. Data analysis techniques using descriptive statistical analysis, path analysis, and hypothesis testing.

RESULT AND DISCUSSION

The research location studied by researchers is Tulungagung City because Tulungagung City is known as the City of largest Marble producer in Indonesia. The southern part of the city of Tulungagung is a mountainous part of the South Mountains. The mountains contain limestone which can be made into marble. Judging from its natural state, Tulungagung has natural potential that can be used as a source of livelihood for the local community, namely the marble industry. Marble craftsmen in the city of Tulungagung sell various types of marble products, including marble, onyx, natural stone, fossil stone, and various types of handicrafts for home decoration. These various types of stones have different shapes, sizes, colors, qualities, and uses.

The results of the validity test of the 20 items of Family Business variable statements, Entrepreneurial Motivation variables, and Entrepreneurial Intention variables in this study obtained $r_{count} > 0.3610$, meaning that all items of Family Business variable statements were declared valid. The results of the Reliability Test for the Family Business variable, the Entrepreneurial Motivation variable, and the Entrepreneurial Intention variable in this study have a cronbach alpha value of > 0.7 , meaning that the Family Business variable is declared reliable.

Based on the results of the descriptive analysis, respondents were found to have a company age of 1-20 years with the majority of owners being male and most of them having graduated from high school. The description of the Family Business variable in this study was obtained from Marble Craftsmen in Tulungagung. The questionnaire has 3 indicators which are developed into 6 questions that will be used in the analysis. The average total score for the Family Business variable is 4.61, it can be concluded that the Family Business for Marble Craftsmen in Tulungagung is very good. The description of the Entrepreneurial Motivation variable in this study was obtained from Marble Craftsmen in Tulungagung. The questionnaire has 5 indicators which are developed into 8 questions that will be used in the analysis. The average total score for the variable Entrepreneurial Motivation is 4.07, so it can be concluded that the Entrepreneurial Motivation of Marble Craftsmen in Tulungagung is good. The

description of the Entrepreneurial Intention variable in this study was obtained from a questionnaire distributed to Marble Craftsmen in Tulungagung. The questionnaire has 4 indicators which are developed into 6 questions that will be used in the analysis. The average total score for the Entrepreneurial Intention variable is 4.25, so it can be concluded that the Marble Craftsmen in Tulungagung are very good.

Path analysis (path analysis) in this research is used to determine the effect of Family Business on Entrepreneurial Intention through Entrepreneurial Motivation. To test this path analysis model using 2 structural equations. The first structural equation is used to determine the effect of Family Business on Entrepreneurial Motivation, while the second equation is used to determine the effect of Family Business on Entrepreneurial Intention. The results of the first structural equation analysis were carried out to determine the effect of the family business (X) on entrepreneurial motivation (Z), as follows:

Table.1 the Effect of Family Business (X) on Entrepreneurial Motivation (Z)

Model	Unstandardized		Standardized	t	Sig.
	Coefficients		Coefficients		
	B	Std. Error	Beta		
1 (Constant)	-0.206	0.905		-0.228	0.820
<i>Family business (X)</i>	0.260	0.017	0.755	15.626	0.000

Dependent variable: *Entrepreneurial motivation (Z)*
R Square: 0,570

Based on the output of linear regression model I, it is known that the significance value of the family business variable is 0.000, which is less than 0.05 ($\text{sig} < 0.05$). These results conclude that the regression model I, namely X has a significant effect on Z. The effect of the error on the first structural equation with the formula $P\epsilon_1 = \sqrt{(1-R^2)} = \sqrt{(1-0.570)} = \sqrt{0.430} = 0.656$ obtained an error value of 65.6 % then it can be interpreted that the information contained in the calculation results can explain the influence of family business variables on entrepreneurial motivation by 34.4% while 65.6% is influenced by other variables outside this study. The results of the structural equation analysis were first carried out to determine the effect of the family business (X) on entrepreneurial intention (Y), which is as follows:

Table.2 the Effect of Family Business (X) on Entrepreneurial Intention (Y)

Model	Unstandardized		Standardized	t	Sig.
	Coefficients		Coefficients		
	B	Std. Error	Beta		
1 (Constant)	0.949	1.287		0.737	0.462
<i>Family business (X)</i>	0.106	0.036	0.202	2.946	0.004
<i>Entrepreneurial motivation (Z)</i>	0.965	0.105	0.631	9.202	0.000

Dependent variable: *Entrepreneurial intention*
(Y)
R Square: 0,631

Based on the output of linear regression model II, it is known that the significance value of the two variables, namely $X = 0.004$ and $Z = 0.000$, is smaller than 0.05 ($\text{sig} < 0.05$). These results indicate that the regression model II, namely X and Z has a significant effect on Y. The effect of the error on the second structural equation with the formula $P_{\epsilon 2} = \sqrt{(1-R^2)} = \sqrt{(1-0.631)} = \sqrt{0.369} = 0.607$ obtained the error value of 60.7%, which means that the information contained in the calculation results can explain the influence of family business and entrepreneurial motivation variables on the entrepreneurial intention by 39.3% while 60.7% is influenced by other variables outside this study. The structural equation model is described as follows:

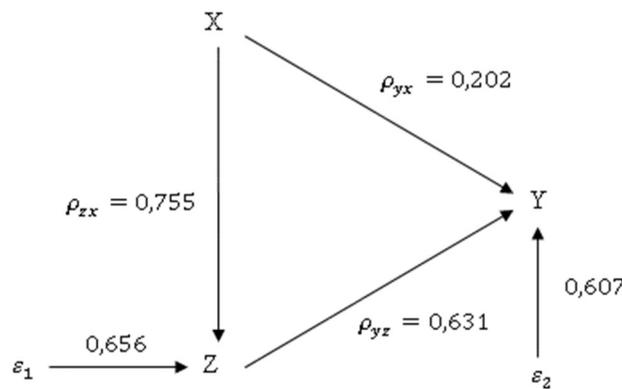


Figure.1 Structural Equation Model

The results of the first hypothesis test showed that the family business showed a tcount value of $15.626 > t_{table} 1.973$ and the significance of t was $0.000 < 0.05$ so it could be stated

that H_0 was rejected and H_a was accepted. So it can be concluded that in this study the variable family business has a positive and significant effect on entrepreneurial motivation. The test shows that these results support the first hypothesis (H_1) in this study. The circumstances of the family environment will have a huge impact on the continuation of one's future. A family business or family business is a business or a company whose business is managed by various members of their own family. Family firms are controlled by a single family member, especially in the process of making important business decisions (Palmer et al., 2021). Where a person can cultivate his entrepreneurial spirit because of motivation from within himself and encouragement and support from the family to foster enthusiasm for entrepreneurship.

The topic of motivation in the entrepreneurial literature has developed along paths related to the field of one's psychology (Bartom et al., 2018). Entrepreneurial Motivation is self-motivation as a contribution to both internal and external factors that make it possible to foster entrepreneurial intentions (Aima et al., 2020). Most of the marble craftsmen in Tulungagung are businesses that come from their previous family or environment that supports them to run the same business, therefore this kind of business can motivate young marble entrepreneurs. As well as with social media, the younger generation is greatly facilitated in the process of promoting and introducing their products to individual consumers.

The results of testing the second hypothesis showed that the family business showed a tcount value of $2.946 > t_{table} 1.973$ and the significance of t was $0.004 < 0.05$ so it could be stated that H_0 was rejected and H_a was accepted. So it can be concluded that in this study the family business variable has a positive and significant effect on entrepreneurial intention. The test shows that these results support the second hypothesis (H_2) in this study. The family business plays a big role in the career choice of every family member, especially the children of family members who are related to the family business (Wang et al., 2018). Becoming an entrepreneur requires a process of planned personal behavior. Entrepreneurial Intention creates someone's desire by starting entrepreneurial activities and daring to take risks in their business (Georgescu & Herman, 2020).

An individual's decision to become an entrepreneur can be made if they are willing and aware (Hsu et al., 2019). The intention of a person who is in each of them is of course different, the willingness to establish a family business is of course not all of them will be owned by every individual. A Family Business is a business that was founded based on the will of each

individual when the owner wants his company to become a family business. Therefore intention is needed as the first step for someone to start entrepreneurship.

The results of testing the third hypothesis showed that entrepreneurial motivation showed a tcount value of 9,202 > ttable 1,973 and a significance of t was 0.000 < 0.05 so that it could be stated that H0 was rejected and Ha was accepted. So it can be concluded that in this study the entrepreneurial motivation variable has a positive and significant effect on entrepreneurial intention. The test shows that these results support the second hypothesis (H3) in this study. One's motivation to become an entrepreneur can come from the surrounding environment or come from oneself. To become an entrepreneur, of course, requires two things that are interrelated, including entrepreneurial motivation and entrepreneurial intention which can help someone to become a successful entrepreneur.

Entrepreneurial motivation is energy that encourages individuals to carry out activities that lead to meeting needs, satisfaction, and reducing imbalances by opening a company or business (Purwana & Suhud, 2018). It can be concluded that motivation is a driving force within a person that can provide energy and direct one's actions to achieve a goal, namely entrepreneurship. Entrepreneurial intention is an individual's decision to become an entrepreneur if they are willing and aware (Liguori et al., 2020). If someone has the intention to start, of course it will be a good start for entrepreneurship (Farrukh et al., 2018). So that the marble entrepreneurs in Tulungagung City, set up a business with a strong awareness and intention within themselves. Someone will become an entrepreneur if they have a strong intention and determination to do business.

The results of testing the fourth hypothesis using the sobel test formula assisted by the online calculator quantypsy.org with the following results:

Input:		Test statistic:	Std. Error:	p-value:
a	0.260	Sobel test: 7.87758393	0.03184987	0
b	0.965	Aroian test: 7.86524144	0.03189985	0
s _a	0.017	Goodman test: 7.8899847	0.03179981	0
s _b	0.105	Reset all	Calculate	

Figure.2 Sobel Test Results

Based on the results of the Sobel test calculation above, it can be seen that the tcount value is 7,877 > ttable 1.973 and the significance of t is 0.000 < 0.05 so it can be stated that H0 is rejected and Ha is accepted. So it can be concluded that in this study the family business

variable indirectly influences entrepreneurial intention through entrepreneurial motivation. Tests show that these results support the fourth hypothesis (H4) in this study. As a family owned and controlled business, the management and performance of companies, both small and large scale, are heavily influenced by the family's vision and mission. However, family businesses are certainly not free from various problems that are sometimes difficult to solve. For example, there is distrust or distrust among family members, conflicts in leadership succession, conflicts in decision making, issues of the crown prince (the successor to the throne in the company), differences in patterns managerial thought between the first generation and the next generation, and so on.

Entrepreneurship is an important issue in the economy of a developing nation. The progress or decline of a nation's economy is largely determined by the presence of entrepreneurs. One that makes the success of entrepreneurs is the intention and motivation that everyone has. The relationship between motivational factors is very close to intention. Intentions are assumed to capture the motivational factors that influence behavior (Mahto & McDowell, 2018). These motivational factors are influential due to the encouragement of intentions from within a person to take action to start or achieve business goals. The use of behavioral theory cannot be separated from aspects of entrepreneurial motivation or entrepreneurial intention, meaning that entrepreneurship can be learned and entrepreneurship can be a work choice and career choice for everyone.

If in a person there is intention and motivation to become an entrepreneur. Surely they will easily become an entrepreneur and run a business. Moreover, this business is a family business that has been established for years and continues to be passed down from generation to generation, of course they already have a good vision, mission and management so that new generations can learn and adapt easily because they learn from their own family environment. However, the most important thing is to have great intention and determination to take one's first steps in starting entrepreneurship.

CONCLUSION AND SUGGESTION

Based on the research results, it is known that there is an influence of family business on entrepreneurial motivation. A family-run business can also bring up new business motivation. There is an influence of family business on entrepreneurial intention. The family business is an influential system in determining entrepreneurial intention. Through a family business that is already running, someone will be better prepared to become an entrepreneur. There is an influence of entrepreneurial motivation on entrepreneurial intention. Motivation within the individual is needed to build enthusiasm for running a business. There is an influence of family business through entrepreneurial motivation on entrepreneurial intention. The family business has indeed mushroomed in the marble craftsmanship environment. This is evidenced by the hereditary business that has been carried on from generation to generation. Of course, if a craftsman already has a family with the business then the motivation arises to run the business.

Based on the results of the research, the suggestion that the researcher can give is that the motivation for the craftsmen must always be increased, to maintain and develop the company so that the company continues to grow and survive until the next generation. The next suggestion is shown to researchers who are interested in continuing this research, it is better if further research is needed regarding other variables that influence entrepreneurial intention, in addition to variables related to the family business and entrepreneurial motivation.

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