

The Effect of Internal Locus of Control on the Entrepreneurial Intention of Vocational High School Students

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Abstract

Internal locus of control is one of the factors that has contributed to the entrepreneurial intentions of vocational high school students. This study aims to reveal empirically the relationship between internal locus of control and entrepreneurial intentions of vocational high school students. The population in this study were all 422 grade XII students of Vocational High School in the field of technology and engineering expertise in the City of Jombang. The sample used was 180 students through random techniques. The data was collected using the entrepreneurial intention scale and the internal locus of control scale. The data analysis technique uses the product moment correlation analysis technique. The results showed a significant positive relationship between internal locus of control and entrepreneurial intention, with a significance level (p) of 0.032. The internal locus of control correlation coefficient is 0.513 for entrepreneurial intentions. It can be concluded from this study that the internal locus of control of students can predict the level of student entrepreneurial intention.

Keywords: Locus of Control, Entrepreneurial, Intent, Vocational

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Introduction

Entrepreneurship has become very important in this modern era, both for the survival and sustainability of society. Entrepreneurship exists with the hope of becoming an economic competition in the global market and providing job opportunities. Entrepreneurship can lead to higher returns and a meaningful career (Kuckertz & Wagner, 2010). A study found that entrepreneurial development has succeeded in improving the welfare of the nation as a whole. The benefits generated from entrepreneurship can contribute to economic development by improving the quality of life, offering new jobs, promoting sector productivity, increasing economic growth, facilitating social mobility, and so on.

One of the first steps to starting an entrepreneur is having entrepreneurial intentions. The entrepreneurial intention represents the individual's commitment to starting a business (Zapkau et al., 2015). Entrepreneurial intention can influence the emergence of entrepreneurial behavior in the future. Individuals with entrepreneurial intentions believe they can successfully start a new business. Entrepreneurial intention is an individual's intention to start their business (Delialioğlu & Yildirim, 2007). Entrepreneurial intent is described as the awareness and belief that individuals use to start new businesses in the near future. It is a state of conscious mind based on experience that directs attention to starting an independent business (Do Paço et al., 2011). The commitment to starting new businesses and the tendency to act as the main strength enable individuals to create new businesses. Entrepreneurial intent can also be described as an individual's state of mind for starting a new business or creating innovation in an existing organization (Remeikiene et al., 2013).

One of the factors that are believed to increase the intention and trust of individuals in entrepreneurship is the internal locus of control. More extensive research on entrepreneurship has explored the significant positive effects of internal locus of control on entrepreneurial intentions (Shane & Nicolaou, 2015). The results of several studies have found that internal locus of control can act as a positive predictor of entrepreneurial intentions.

In addition, these findings also indicate that internal locus of control is very important for building individual intention in entrepreneurship (Baldegger et al., 2017). Personality traits such as locus of control play a decisive role in increasing entrepreneurial intentions, because individuals with internal locus of control believe that they will succeed in entrepreneurship. Internal locus of control is the individual's perception that an event depends on the behavior or characteristics inherent in the individual (Zaidi & Mohsin, 2013). Every individual has full control over the results they get through ability, effort, or skill. Individual behavior will determine events in his life. Every individual has their responsibility to succeed and fail in learning. Individuals with internal locus of control also think that extraordinary experiences are caused by stable behavior or individual characteristics (Sohrabi et al., 2016). Individuals with internal locus of control believe that they can make changes through their entrepreneurial behavior which is built through strong entrepreneurial intentions. This study aims to reveal empirically the relationship between internal locus of control and entrepreneurial intentions of vocational high school (VHS) students. This study focuses on several indicators of internal locus of control for vocational students who are approaching graduation in technology and engineering competencies. These students have carried out learning activities and practices in the industry, so that they are thought to have entrepreneurial intentions based on one of the factors, namely internal locus of control.

Method

The design of this research is ex post facto by processing the research data without treating the research subjects. The data in this study were collected using a questionnaire questionnaire instrument. The scaling model used is the Likert scale model. Entrepreneurial intention is expressed by the entrepreneurial intention scale built by researchers based on the dimensions of entrepreneurial intention according to Van Gelderen, Brand, Van Praag, Bodewes, Poutsma, and Van Gils (2008), namely: wishes, preferences, plans, and expected behavior. The population in this study were all students of class XII Vocational High School in the field of technology and engineering expertise as many as 422 students in the City of Jombang. The sample used was 180 students through random techniques. The data was collected using the entrepreneurial intention scale and the internal locus of control scale. The data analysis technique uses the product moment correlation analysis technique.

Result and Discussion

Result

Table 1 shows that the results of the analysis are in the value of $r = 0.513$, $p = 0.032$ ($p < 0.05$), which means that the internal locus of control has a positive and significant relationship with the entrepreneurial intentions of students at VHS in Jombang. These results indicate that the proposed hypothesis is accepted, namely that the internal locus of control can predict entrepreneurial intentions. Internal locus of control contributes 2.1% to entrepreneurial intentions. Meanwhile, the remaining 97.9% is influenced by other variables.

Tabel 1. Results of Correlation Analysis of Pearson product moment

<u>Variable</u>	<u>R</u>	<u>Rsquare</u>	<u>Sig.</u>	<u>R</u>
Internal locus control	0,513	0,021	P=0,032	0,513
<u>Entrepreneurial Intent</u>				

Discussion

The results showed that internal locus of control had an effect on students' entrepreneurial intentions. Previous findings indicate that entrepreneurial characteristics significantly influence entrepreneurial intentions (Kusmintarti et al., 2016). Internal locus of control plays a role in building entrepreneurial intentions and decisions to become entrepreneurs, this is in line with several previous studies which found that there is a positive relationship between internal locus of control and entrepreneurial intention. (Brunel et al., 2017). Individuals with an internal locus of control believe that their decisions and actions can influence the success of their business (Karabulut, 2016). One study found that individuals who have an internal locus of control tend to have greater entrepreneurial intentions (Ayodele & Olanrewaju, 2013). These people believe that they can turn their entrepreneurial intentions into successful entrepreneurial behavior. Successful entrepreneurs tend to focus more internally on managing their company. Internal locus of control is one of the characteristics of entrepreneurship.

Internal locus of control can lead individuals to develop entrepreneurial intentions. Some successful entrepreneurs claim that their success is due to the right decisions they have made (internal locus of control), not because of external factors such as fate and luck. Individuals with internal locus of control tend to be more courageous in taking risks in building a business. Individuals believe they can control their environment because they have a clear

vision of their new business. Internal locus of control can help individuals build social networks to obtain information that supports their business. Individuals can actualize their future business ideas after gathering and managing all the information obtained (Kusmintarti et al., 2016).

Entrepreneurial intention tends to increase when individuals are given entrepreneurship education that instills entrepreneurial characteristics of students such as internal locus of control. Individuals with internal locus of control believe that hard work makes it possible to achieve success in business (Kumar & Shukla, 2019). Internal locus of control is one of the important characteristics of entrepreneurship. Internal locus of control can increase an individual's likelihood of becoming entrepreneurs (Goksel & Belgin, 2011). Individuals with internal locus of control characteristics dare to take risks to start a business in the future (Phipps, 2012).

The implications of this study can provide insight, especially for vocational students, regarding the sustainable use of current students' abilities, both the knowledge and skills acquired from schools to foster entrepreneurial intentions. The findings obtained indicate the ability and efforts of individuals in the learning process at school tend to determine individual success in starting a business faster than external factors. Individuals who believe in their abilities tend to have higher entrepreneurial intentions. The results of this study are also useful for teachers. Apart from teaching vocational skills, teachers are also responsible for guiding students to maximize the potential of students' vocational skills. Thus, students can start the entrepreneurial process with maximum effort and results.

Conclusion

Internal locus of control can be a good predictor of student entrepreneurial intentions at VHS in Jombang Regency. There is a significant positive relationship between internal locus of control and entrepreneurial intention ($p = 0.032$). Internal locus of control contributed 2.1 percent in explaining entrepreneurial intentions. Thus, the remaining 97.9 percent is influenced by other variables outside the scope of this study. This research is limited to the analysis of the influence of internal locus of control on entrepreneurial intentions so that continuous research is needed to determine how much the contribution between variables is and determine a valid structural model for students' entrepreneurial intentions.

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