

ANALYSIS OF THE INFLUENCE OF KNOWLEDGE OF BUSINESS FINANCIAL MANAGEMENT AND FAMILY ENVIRONMENT ON INTEREST IN ENTREPRENEURSHIP

Eka Devi Yanti¹, Abd Rahman Laba, Erlina Pakki³

Universitas Muslim Indonesia

ekadeviyanti2@gmail.com



e-ISSN 2686-0058

p-ISSN 2715-7695

Informasi Artikel

Tanggal masuk

12 Juli 2023

Tanggal revisi

18 September 2023

Tanggal diterima

30 November 2023

Abstract: This study aims to identify the effect of knowledge of business financial management, and family environment on the interest in entrepreneurship. The population of this study was a S1 student at the Faculty of Economics and Business, University of Muslim Indonesia Makassar, with the sampling technique used was accidental sampling, in 100 semester FEB students as respondents. Quantitative data analysis methods and using several tests such as validity testing, reliability test, classical assumption test, multiple linear regression tests, and the coefficient of determination test (adjusted r square. positive about entrepreneurial interest. By understanding the effects between these variables, it is hoped that this research can provide insight which is useful in supporting the development of entrepreneurial interests and efforts to increase the number of qualified entrepreneurs.

Kata Kunci:

Business Financial

Managemen¹,

Family Environment²,

Entrepreneurship³



INTRODUCTION

Students are an important part of human resources and are a very important millennial generation's interest and entrepreneurial potential, and this approach can be applied through student entrepreneurship programs in tertiary institutions in the context of implementing MBKM policies in the field of entrepreneurship. The Ministry of Education and Culture has implemented the Merdeka Campus entrepreneurship program in 2020 as part of efforts to strengthen the national economy and support the acceleration of the digital economy towards the industrial revolution 4.0. This program aims to encourage the entrepreneurship learning process and integrate it into learning credit units in tertiary institutions.

Entrepreneurial interest refers to an individual's desire or intention to start a business. Before entrepreneurship, a person needs to have a commitment that involves interest, desire, and readiness for entrepreneurship (Sambara et al., 2023). Entrepreneurial interest can be increased through training and is influenced by certain factors, for example the family environment (J. B. Halik et al., 2022). The role of the family environment is very decisive in forming one's interest in entrepreneurship. The family environment can influence directly or indirectly the attitudes, values, and views of individuals towards entrepreneurship. A family environment that encourages values such as independence, innovation, and responsibility can form an interest in entrepreneurship in individuals. part of the Indonesian millennial generation which plays a role as a factor in the country's economic development through economic independence. According to the Merdeka Learning - Merdeka Campus 2020 guide (Kemendikbud, 2020) quoting from the IDN Research Institute in 2019, 69.1% of millennials

in Indonesia have an interest in entrepreneurship.

LITERATURE REVIEW

Financial and Business Management Knowledge

Brigham and Ehrhardt (2013): Knowledge of business financial management is the understanding and application of financial concepts and principles in managing the assets, liabilities and financial resources of a company. This knowledge includes an understanding of financial analysis, investment decision making, financial planning, and financing strategies. Gitman and Zutter (2015): Knowledge of business financial management refers to an understanding of how to manage company assets and liabilities, and make smart financial decisions to achieve company goals. This knowledge includes concepts about the time value of money, risk and return on investment, and management of company funds. Ross et al. (2016): Knowledge of business financial management is an understanding of financial concepts and theories that are applied in making financial and management decisions in a business environment. This knowledge includes working capital management, investment analysis, risk management, and sustainable financial decision making. (J. B. Halik et al., 2022; Mongan et al., 2023)

Family environment

Parke and Buriel (2006): The family environment includes the interactions and relationships between family members as well as the values, norms, and culture applied in the family. The family environment can influence the emotional, social and cognitive development of children and shape their views and attitudes towards the world. Bronfenbrenner (1979): The family environment refers to the microenvironment in an individual's life that involves direct contact with family members and daily interactions. Family environment has a significant influence in shaping individual personality and behavior. Hill and Hanson (2017): The family environment is the social context in which family members interact, learn, and grow together. This environment includes the interaction between parents and children, as well as the norms and values adopted in the family that affect the development and interest in entrepreneurship in children.

Entrepreneurial Concept

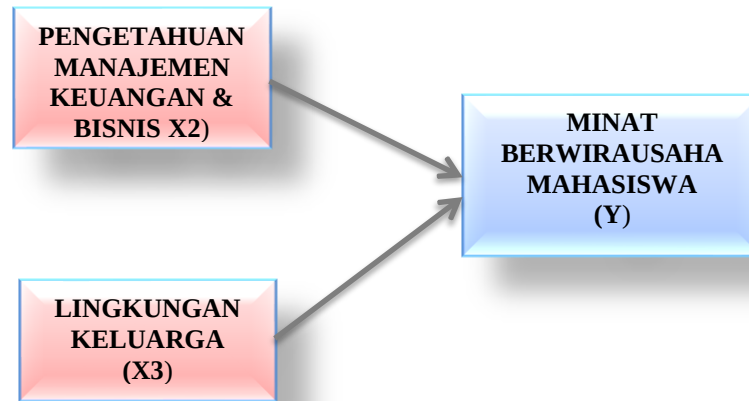
The essence of the concept of entrepreneurship as a process of creating value, identifying opportunities, overcoming challenges, and taking action to achieve goals in managing a business or business. Important to remember that the concept of entrepreneurship also includes aspects of innovation, creativity, and persistence in dealing with change and risk to achieve success. Definition of Entrepreneur according to experts:

1. Hisrich and Peters (1995), Entrepreneurship is the process of creating value by identifying and taking opportunities in creating products or services desired by the market. This involves the ability to overcome challenges and risks in managing the business and achieving the desired goals.
2. Shane and Venkataraman (2000), The concept of entrepreneurship is the process of introducing, developing, and commercializing new ideas or innovations to create new businesses or expand existing businesses. This involves being able to identify profitable market opportunities and take action to realize them.
3. Drucker (1985), Entrepreneurship is the activity of creating value and new opportunities by combining resources in a unique and innovative way. This involves the ability to see opportunities in the midst of change and challenges, and to take creative steps to achieve success.
4. Stevenson and Jarillo (1990) & (Latiep et al., 2023): Entrepreneurship is the ability to create and develop a business with innovation in the face of uncertainty and risk. This involves the ability to identify and take advantage of unmet market

opportunities and have the courage to take risks in managing a business.

Conceptual framework

The conceptual framework of this study explains how knowledge of financial and business management and the family environment relates to interest in entrepreneurship among students. The research results are expected to provide a better understanding of the factors that influence interest in entrepreneurship and provide recommendations for increasing interest in entrepreneurship among students.



Research Hypothesis

- H1 Knowledge of Business Financial Management has a significant positive effect on entrepreneurial interest
- H2 Family environment has a significant positive effect on the interest in entrepreneurship

RESEARCH METHOD .

The research design is quantitative with a survey method approach. Data were collected using a questionnaire as an instrument from 100 respondents in the 3rd semester undergraduate students of FEB UMI. which are involved in entrepreneurial activities or have the potential to become entrepreneurs. The collected data will be analyzed using the linear regression statistical method to examine the effect of the independent variables (self-efficacy, knowledge of business financial management, and family environment) on variables dependent (interest in entrepreneurship).

RESULTS

Validation and Reliability Test

Validity testing is carried out to determine whether a questionnaire is valid or not for each of these variables. The validity test that has been carried out in this study is shown in the following table:

Table 1: Validity X1

NO	Statement	R count	r table	Ket
1	X2.1	0.767	0.195	Valid
2	X2.2	0.697	0.195	Valid
3	X2.3	0.683	0.195	Valid
4	X2.4	0.768	0.195	Valid
5	X2.5	0.749	0.195	Valid
6	X2.6	0.801	0.195	Valid

Table 2: X2 validation

NO	Statement	r count	r table	Ket
1	X 3 .1	0.739	0.195	Valid
2	X 3 .2	0.746	0.195	Valid
3	X 3 .3	0.739	0.195	Valid
4	X 3 .4	0.754	0.195	Valid
5	X 3 .5	0.772	0.195	Valid
6	X 3 .6	0.771	0.195	Valid

Table 3: Y validation

NO	Statement	r count	r table	Ket
1	Y.1	0.758	0.195	Valid
2	Y.2	0.714	0.195	Valid
3	Y.3	0.692	0.195	Valid
4	Y.4	0.702	0.195	Valid
5	Y.5	0.730	0.195	Valid
6	Y.6	0.781	0.195	Valid
7	Y.7	0.606	0.195	Valid

Source: Statistical data processing (2023)

The results of the validation test on business financial management (X1) and family environment (X2) knowledge variables on business interest (Y) show that the calculated R value is greater than the R table value, so it can be concluded that the statements in the variable questionnaire are valid.

Reliability Test Results

A research instrument is said to be reliable or reliable (solid) if it has a Cronbach Alpha of more than 0.70 (Imam Ghazali, 2016:48). The results of the reliability test of this study can be seen in the following table:

Table 4: Reliability Test Results

Variable	Cronbach Alpha	N of Items
Business Finance Management	0.787	6
Family environment	0.843	6
Entrepreneurial Interests	0.822	7

Source: Processed data, 2023

The results of the reliability test using SPSS showed that the financial management variables had a Cronbach Alpha value of 0.787, the family environment was 0.843, the interest in entrepreneurship variable had a Cronbach Alpha value of 0.822. The Cronbach Alpha value of the three variables is more than 0.70, so that the instrument variable in this study is reliable.

DATA ANALYSIS

Classic assumption test

a) Normality test

This normality test was carried out using the One Sample Kolmogorov-Smirnov Test. The data is normally distributed if the calculated significance level is greater than the significance level used, namely 0.05. The normality test results can be seen in the following table

One-Sample Kolmogorov-Smirnov Test

		Unstandardized Residuals
N		100
Normal Parameters ^{a,b}	Means	.0000000
	std. Deviation	1.71365043
Most Extreme Differences	absolute	.086
	Positive	.086
	Negative	-.065
Test Statistics		.086
asympt. Sig. (2-tailed)		.065 ^c

a. Test distribution is Normal.

b. Calculated from data.

c. Lilliefors Significance Correction.

Source : Statistical data processing

the results of the normality test using the One Sample Kolmogorov-Smirnov Test show that the significance value is above 0.05, which is 0.65, which means that the residual data is normally distributed.

b) Multicollinearity Test

A good regression model is with no occurrence correlation or free from multicollinear symptoms. *Basis for decision making* to know whether there is or not multicollinearity on regression Model, is if value $VIF < 10$ or $tolerance > 0.10$ so can stated not occur symptom

multicollinearity. The results of the multicollinearity test can be seen in the following table:

Model	Collinearity Statistics	
	tolerance	VI F
1 (Constant)		
Knowledge of Business Financial Management	.166	6014
Family environment	.166	6014

a. Dependent Variable: Interest in Entrepreneurship

multicollinearity test results table shows that the tolerance value of the financial management and family environment variables is $0.166 > 0.10$, while the VIF value as big $6.014 < 10$, therefore concluded that No happen symptom Multicollinearity in the regression model.

c) Autocorrelation Test

In study This used test autocorrelation with Durbin Watson (DW test). *output* from test autocorrelation with use SPSS on study This can be seen in the following model summary table:

Summary Model ^b

Model	R	R Square	Adjusted R Square	std. Error of the Estimate	Durbin-Watson
1	.974 ^a	.949	.948	1,753	1635

a. Predictors: (Constant), FAMILY ENVIRONMENT, BUSINESS FINANCIALMANAGEMENT KNOWLEDGE

b. Dependent Variable: INTEREST IN entrepreneurship

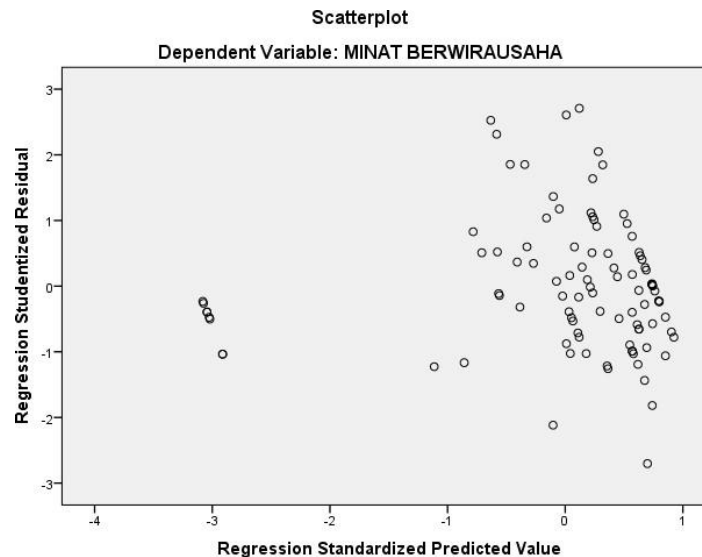
Known Value Durbin-Watson Which got from results regression is 1.635. The value of dL and dU can be seen in the Durbin- Watson Table of significance 0.05, $n=100$ and $k=2$ (n is the amount of data and k is the number of variables independent). dL value = 1.6337 and dU = 1.7152

So it can be calculated the value of $4-dU = 2,285$ and $4-dL = 2.367$ It can be seen that the Durbin-Watson value of 2.182 lies at area etc $< DW < 4-dU$ ($1.633 < 1.635 < 2.285$) then it can be concluded that no autocorrelation occurs regression models.

d) Heteroscedasticity Test

The results of the heteroscedasticity test can be explained with a scatterplot graph, where the points formed must spread randomly, spread both above and below the number 0 on the Y axis. If these conditions are

met, heteroscedasticity does not occur and the regression model is feasible to use. The results of the heteroscedasticity test using the scatterplot graph are shown in Figure 4.2 below:



The scatterplot graph above shows the points spread randomly, and spread both above and below the number 0 (zero) on the Y axis. Thus, it can be concluded that there are no symptoms of heteroscedasticity in the regression model used.

Linear Regression Test Results

a) T test

Results test t can be seen in the coefficient table contained in the sig (*significance*) column. Basic decision making in determine whether or not there is an influence between the independent variables and variable bound are as follows;

- If the t value or significance $< \alpha = 0.05$, then it can be said that there is influence between the independent variables on the variables bound in a manner Partial.
- If the t value or significance $> \alpha = 0.05$, then it can be said that No there is influence between variable free to variable bound.

The following are the results of the T test:

coefficients ^a

Model		Unstandardized Coefficients	Standard Error	Standardized Coefficients (Beta)	t	Sig.
1	(Constant)	.609	.588		1037	.302
	KNOWLEDGE OF BUSINESS FINANCIAL MANAGEMENT	.837	.086	.545	9,685	.000
	FAMILY ENVIRONMENT	.464	.058	.451	8014	.000

a. Dependent Variable: INTEREST IN entrepreneurship

The results of the T test based on the coefficient table above can be explained as follows:

1. The coefficient table above shows that the Business Financial Management Knowledge variable (X1) has a significance value of 0.00 < 0.05. Thus it is concluded that Knowledge of Business Financial Management has a significant influence on the interest in entrepreneurship. The coefficient of beta variable Knowledge of Business Finance Management is 0.545 which means that if Knowledge of Business Finance Management increases by one unit, then interest in entrepreneurship increases by 0.545 assuming the other independent variables are of a fixed value.
2. Furthermore, the significance value for the family environment variable is 0.00 < 0.05, so it can be concluded that the family environment variable has a significant influence on entrepreneurial interest. The beta coefficient for the family environment variable is 0.451, which means that if the family environment variable increases by one unit, the interest in entrepreneurship will increase by 0.451 assuming the other independent variables are of a fixed value.

b) Determination Coefficient Test

The coefficient of determination (R^2) can be used to measure how much big ability variable independent explain variable dependent. The results of the determination coefficient test can be seen in the following model summary table:

Summary Model ^b

Model	R	R Square	Adjusted R Square	std. Error of the Estimate	Durbin-Watson
1	.974 ^a	.949	.948	1,753	1635

- a. Predictors: (Constant), FAMILY ENVIRONMENT, BUSINESS FINANCIAL MANAGEMENT KNOWLEDGE
- b. Dependent Variable: INTEREST IN entrepreneurship

Based on the Summary model table above, it can be seen that the value of R^2 square as big 0.949 or 95%. Which means the variable interest in entrepreneurship is influenced by variable knowledge of financial management and business and family environment by 95%. While the remaining 5% is influenced by other variables outside this study.

DISCUSSION

The Effect of Business Financial Management Knowledge on Entrepreneurial Interests

This research has proven that there is a positive and significant influence of financial and business management knowledge on interest in entrepreneurship among 3rd semester FEB students. Knowledge of business financial management also has an important role in influencing one's interest in entrepreneurship. Good financial management is the key to success in running a business. Some of the important influences of knowledge of business financial management on the interest in entrepreneurship are as follows:

1. Financial Planning: With knowledge of business financial management, individuals can better plan business finances, including in terms of financing, capital management, and budgeting.
2. Financial Decision Making: Knowledge of financial, investment and risk analysis can assist individuals in making smart and strategic financial decisions for business development.
3. Debt and Income Management: Knowledge of business financial management allows individuals to manage debt wisely and maximize income so that the business can run smoothly.
4. Tax and Financial Arrangements: Knowledge of tax regulations and other aspects of finance can assist individuals in managing business finances legally and efficiently. The results of this study are in line with Stevenson and Jarillo (2015) who conducted a study to identify the factors that influence interest in entrepreneurship among college level students. the results of their research shows that financial and business management knowledge has a significant positive effect on entrepreneurial interest. Students who have a better understanding of financial and business management tend to be more interested in trying entrepreneurship

The Influence of the Family Environment on Interest in Entrepreneurship

This study proves that there is a significant positive influence of the family environment on the interest in entrepreneurship in semester 3 FEB students.

Students who grow up in a family environment that supports and provides positive encouragement towards entrepreneurship tend to have a higher interest in trying their luck in the business world. Financial support, inspiration from family members who are already entrepreneurs, and values Entrepreneurship that is instilled in the family also influences students' interest in entrepreneurship (M. Halik & Halik, 2021). The family environment has an important role in shaping students' interest in entrepreneurship. Support and encouragement from family members, role models from parents who are already entrepreneurs, and entrepreneurial values instilled in the family environment can influence students' interest in entrepreneurship. Another study conducted by Chen et al. (2018) also showed similar results. They examined the factors that influence students' interest in entrepreneurship and found that knowledge of financial and business management had a positive influence on entrepreneurial intentions. In addition, support and a positive family environment also affect students' interest in entrepreneurship.

CONCLUSION

Based on the research results, it can be concluded that knowledge of financial and business management has a positive influence on interest in entrepreneurship among 3rd semester FEB students. Likewise, the family environment has proven to have a major influence on entrepreneurship interest among 3rd semester FEB students. Students who have better knowledge of financial and business management tend to be more interested and motivated to run their own business. This knowledge enables them to better plan their business finances, make smart financial decisions, and manage risk more effectively. In addition, the family environment also has a significant influence on the interest in entrepreneurship in semester 3 students. Likewise, family support and motivation to develop a business is the main motivation for students to become entrepreneurs. This study provides evidence that knowledge of financial and business management and the family environment have an important role in shaping interest in entrepreneurship among semester 3 students. The results of this study highlight the importance of supporting education and learning about financial and business management in academic settings, as well as promoting a family environment that encourages entrepreneurial values. This can form the basis for developing programs more effective in supporting and developing interest in entrepreneurship among students.

BIBLIOGRAPHY

- Ahmad, NL, Yusof, R., Ahmad, AS, & Ismail, R. (2019). The Importance of Financial Literacy towards Entrepreneurship Intention among Universities Students. *International Journals of Academic Research in business & social Science* , 9 (9), 18-39.
- Ajzen, I. 1991. The Theory of Planned Behavior, *Organizational Behavior and Human Decision Processes*, vol. 50, no. 2, pp. 179-211.
- Ambarriyah, SB, & Fachrurrozie, F. (2019). The Effect of Self-Efficacy on Influence Education Entrepreneurship, Environment, And Intelligence adversity Against Student Entrepreneurial Interests. *Economic Education Analysis Journals* , 8 (3), 1045-1060.
- Blegur, A., & Handoyo, SE (2020). The influence of entrepreneurship education, efficacy self and locus of control towards entrepreneurial interest. *Managerial Journal And Entrepreneurship* , 2 (1), 51-61.
- Corsini, Ray. (2002). *the Dictionary of Psychology* . London: Brunner/Rout Ledges.

- Halik, J. B., Halik, M. Y., Latiep, I. F., Irdawati, & Balaba, E. (2022). *Pengaruh Literasi Keuangan, Gaya Hidup, Dan Uang Saku Mahasiswa Dalam Pengelolaan Keuangan Pribadi Pada Mahasiswa Universitas Kristen Indonesia Paulus Makassar*. 5(1), 51–67.
- Halik, M., & Halik, J. (2021). Does the Basic Christian Community (BCC) need to do Financial Accountability to the Parish? *ICONEBS 2020: Proceedings of the First International Conference on Economics, Business and Social Humanities*. <https://doi.org/10.4108/eai.4-11-2020.2304614>
- Latiep, I. F., Dewi, A. R. S., Syam, A., Halik, J. B., & Chakti, A. G. R. (2023). INOVASI BISNIS ONLINE. In B. Majid & H. Hardiyono (Eds.), *Chakti Pustaka Indonesia* (1st ed., Vol. 1). Chakti Pustaka Indonesia.
- Liadi, FN, & Budiono, H. (2019). The influence of educational support, attitudes and efficacy self to interest entrepreneurship on student semester One. *Journal managerial And Entrepreneurship* , 1 (3), 447-455.
- Martyajuarlinda, P., & Kusumajanto, DD (2018). Effect of Entrepreneurship Education and Self Efficacy Towards the Intention of Entrepreneurship. *JPBM (Journal of Business and Management Education)* , 4 (3),128-133.
- Mighty, D. H., Triansah, F., & Alexander, D. A (2020). Role Education Entrepreneurship and Motivation Entrepreneurship in Influencing Interests Entrepreneurship Student. *LITERATUS* , 2 (2), 105-114.
- Mongan, C. J., Sapan, A., & Monda, N. (2023). The Influence Of Financial Literacy And Lifestyle On Decisions To Take Credit At PT. BPR Hasamitra Makassar. *JOURNAL OF ENTREPRENEUR, BUSINESS, AND MANAGEMENT*, 1(2), 76–89. <https://doi.org/10.37531/jebm.v1i2.45>
- Nurbaeti, I., Mulyati, S., & Sugiharto, B. (2019). The Effect of Financial Literacy and accounting literacy to Entrepreneurial Intention using Theory of Planned Behavior Model in STIE Sutaatmadja Accounting Students. *JASS (Journal of accounting for Sustainable Society)* , 1 (01), 1-1.
- Omardi, O B., talk, A., & Daroini, A (2020). Influence Education Entrepreneurship, Family Environment And Self-Efficacy Against Interests Entrepreneurship Student In STKIP PGRI Tulungagung (Studies On Student Education Economy Year 2019-2020). *Autonomy* , 20 (1), 179-190.
- Pramitasari, TD (2018). Effects of personal financial management and self- efficacy on the interest in entrepreneurship at UNARS faculty of economics students. *UNEJ e-Proceedings* , 339-347.
- Sambara, K., Salim, A., Baele, Y., & Allo, Y. T. (2023). ANALISIS FAKTOR-FAKTOR YANG BERPERAN DALAM (Studi Kasus Mahasiswa / i Fakultas Ekonomi Jurusan Manajemen Uiversitas Kristen Indonesia Paulus). *Marketing Management and Innovative Business Review*, 01(1), 9–24. <https://ojsapaji.org/index.php/mariobre/article/view/169>
- Sugiyono. (2016). *Quantitative Research Methods, Qualitative and R&D*. Bandung: PT Alfabet.
- Sujarweni, VW (2019). *Research Methodology Business and Economics Approach Quantitative*. Yogyakarta: NEW PRESS LIBRARY
- Utami, C. W. (2017). attitude, subjective norm, perceived behavior, entrepreneurship education and *Self Efficacy* toward entrepreneurial intention university students in Indonesia.
- Woli, S. G., & wardani, D. K. (2021). Influence culture business public, financial literacy, *Self-Efficacy* and family environment on interest entrepreneurship in the city of Yogyakarta. *Journal of Accounting* , 9 (1), 1-14.