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Doctoral Dissertation

# **The Influence Of Entrepreneurial Role Models On Entrepreneurial Motivation**

**(A Study of Indonesian Undergraduate Students in the Faculty of Economics of  
Andalas University in Padang - Indonesia)**

**Hafiz Rahman**

*A dissertation submitted to the University of Huddersfield in partial fulfilment of the  
requirements for the Degree of Doctor of Philosophy in Business Studies*

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Huddersfield, November 2012

*(The Reflection - Hafiz Rahman)*

*Diri banamo Hafiz Rahman  
Di Padang ambo digadangkan  
Sujuik syukur jo sambah ambo ka TUHAN  
Karajo ko salasai dek INYO izinkan*

*Urang Padang ko pai ka rantau  
Disinan inyo manampo diri  
Indak ka lupu ambo jo maso nan lampau  
Untuak ka tampek bacamin diri*

*Anak ketek pai basipatu  
Ka surau inyo babaju koko  
Tatap bajuang jo takana ka nan SATU  
Ambo basiap diri untuak maso nan di muko*

## **ABSTRACT**

This research investigates the influence of role models on student entrepreneurial motivation. It aims to find out and explain the most influential role model from several possible constructs. The mechanism by which such individuals can influence student entrepreneurial motivation and how that works was considered. As a foundation this research used and extended a conceptual understanding and framework from two previous core studies. These were Gibson (2004) and Shane et al., (2003). The latter work discusses the determinants of entrepreneurial motivation from quantitative and qualitative point of views.

Gibson (2004) argued that the, then, existing literature had gaps concerning our understanding of entrepreneurial roles models. This gap still exists today but it is hoped that this study makes a significant contribution to our understanding of how role models influence others to consider taking up an entrepreneurial career. This study is particularly concerned with senior undergraduate business students at a university in Indonesia and underscores the importance of social influence as one of the determinants of the impact of role models on entrepreneurial motivation.

Two hundred and ninety-one undergraduates responded to the initial questionnaire and thirty-eight took part in a further in-depth interview with the researcher. To provide a common basis for their understanding of the entrepreneur and entrepreneurial activities, a separate baseline questionnaire was used.

This study found that depending on the construct, the role model, directly or indirectly, exerted significant influence on individual entrepreneurial motivation. It found also that the closure mechanism (as suggested by Sorensen, 2007) which was developed out of the charisma and reputation components of Gibson (2004) was the most common mechanism when a student ‘appointed’ another individual as their role model. This finding was strengthened by having considered the ways that role models influence an individual and what is the possible influence and impact on that individual’s daily and future life. The research also offers an important finding regarding the concept of proximity and the possible degree of influence of the role model on an individual’s future career choice.

Correlation between the individual and possible constructs of the role model provided an insight into the relative influence of role models and this can be used to consider the possible alternatives to delivering entrepreneurship education in universities. Interestingly, parents had the most influence followed by entrepreneurs. Lecturers can influence future careers in general but not specifically influence entrepreneurial motivation.

Although it has contributed to filling the still existing research gap, this study also has limitations, but offers interesting challenges. It is a study rooted in a single culture. The researcher understands that it would be impossible to generalise the detailed findings and results to other countries given that cultural dimensions differ (Hofstede, 2012). However this very limitation offers the challenge of extending this research agenda through comparing and contrasting students from differing cultural backgrounds.

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## RESEARCHER NOTE

Some parts of the work in this dissertation have been presented as research papers in peer-reviewed international conferences in entrepreneurship and small business during 2009-2012. These conferences were:

1. Internationalizing Entrepreneurship Education and Training (INTENT) 2010 International Conference held by Hogeschool van Arnhem on 5 – 8 July 2010 at Arnhem, The Netherlands, sponsored by The Business School of University of Huddersfield. Summary of the paper/presentation can be traced in the URL <http://www.intent2010.com/sites/intent/Conference-Book-2010.pdf>
2. Annual Research Symposium on Marketing and Entrepreneurship 2010 held by American Marketing Association (AMA) on 10-13 August 2010 in Boston, US (co-author was John Day). The paper presented in this event also appears in Research at the Marketing/Entrepreneurship Interface edited by Professor Gerald E. Hills (Bradley University, US), Claes Hultman (Swedish Business School, Orebro University, Sweden), Fabian Eggers (Menlo College) and Morgan P. Miles (University of Tasmania, Australia). A link to this publication can be viewed in the following URL <https://docs.google.com/viewer?a=v&pid=sites&srcid=ZGVmYXVsdGRvbWFpbmxnbG9iYWxyc2llfGd4OjYwNjk2MjhhMzMxNDRmOGY>
3. International Council for Small Business (ICSB) 2012 - World Conference hosted by Massey University on 10-13 June 2012 in Wellington, New Zealand. The researcher 2 was the main author of the paper presented at this event (co-author was John Day). Attendance and presentation at this conference was sponsored by The Business School, University of Huddersfield. Summary of the paper presented in this conference can be traced in the following URL <http://www.icsb2012.org.nz/massey/fms/Colleges/College%20of%20Business/ICSB/Final%20Docs/ICSB%20Summary%20Booklet.pdf>

In addition, this paper can be viewed in full being electronically published by SBANC (Small Business Advancement National Center) of the US. The link to the paper is: <http://sbaer.uca.edu/research/icsb/2012/Rahman%20142.pdf>

# **I. Introduction to the Research**

## **Introduction**

Over the last ten to fifteen years, particularly since the late nineties, entrepreneurial activity as an alternative career choice for Indonesian people has become increasingly popular. Relating this to entrepreneurial role models, there are two key broad environmental drivers behind their existence in Indonesia: (1) the condition of the Indonesian economy and (2) Indonesian socio-cultural background. Although the Indonesian economy features a high rate of unemployment, it still offers a large potential market and actual demand, cheap labour, plentiful natural resources and easy business and market entry and exit. The socio-cultural background of Indonesian people concerns both its socio-cultural legacy and identity as a nation.

In respect of the socio-culture dimension, Indonesian people have a heightened respect for figureheads (see, for example, Hofstede, 2012 on the cultural dimension of Indonesian people). These figureheads are mostly people who are successful and who have achieved a good social status in their lives, either as politicians, athletes, government officers, leaders of the society (formally or informally), lecturers / researchers, and business men and business women. Given these successful entrepreneurs alongside the need of aspirant entrepreneurs to have their own figureheads, the importance of successful entrepreneurs acting as role models is increasing.

This research is relevant to important needs and concerns in entrepreneurship. *From a theoretical concern*, it articulates in detail how the role model can influence the

entrepreneurial motivation of people. *From a practical and actual concern*, the research is relevant to the condition of Indonesian students and graduates who need successful personal figures whom they believe can change their mind-set and opinion regarding an entrepreneurial career. The research also offers a consideration of the *method of delivering entrepreneurship education* through involving role models in entrepreneurship education and training programmes.

Further, the research argues that the role model can influence individual entrepreneurial motivation. Therefore, it is reasonable to seek out '*mechanisms*' of how this influence takes place as well as to identify who is the most significant role model influencing entrepreneurial motivation. Related to the aims of this research, we consider that *role models influence student entrepreneurial motivation by changing their opinion and attitudes toward entrepreneurship and career choice*. This is done mostly through the *closure mechanism as the most common mechanism for the students to treat and appoint other individuals as their role model*. The research proposes that those *role models who will be considered important and relevant for the choice of entrepreneurial career by students are people within their very close social network, namely, family members*. In particular, *parents, who are entrepreneurs*, are considered the most significant influence on students' future career and entrepreneurial motivation compared to other role model constructs.

## **1.1. Background**

### **1.1.1. Entrepreneurial Activities in Indonesia**

In the 2006 Global Entrepreneurship Monitor (GEM) Report Indonesia was placed 5<sup>th</sup> after Peru, Columbia, Philippine and Jamaica in terms of early stage entrepreneurial activity by country and ranked 2<sup>nd</sup> after the Philippines in the category of established business ownership by country (Bosma and Harding, 2007). Little wonder since in the last ten to fifteen years, there has been a tendency for people in Indonesia to turn to an entrepreneurial career as they faced two main circumstances: (1) limited employment opportunity and (2) the salary offered by public and private institutions being insufficient to cover the daily needs of many people. Those who are employed by public institution do not have a large enough salary as the price of goods rises due to inflation and this cannot be covered by their income. In the case of people who are working in private institutions, there is no guarantee that they can keep their jobs in the longer term and/or until they retire.

The economic turbulence and instability that has often happened in Indonesia has brought negative impacts to the private sector and employment turnover. The private sector is fragile, and as a result, the rate of employment turnover is also high. Being dismissed is a common situation faced by employees in private institutions and sectors, especially for those who are not in a managerial position and are just categorized as workers. Government policy to liberalize employment opportunities by allowing foreign employees to work in the Indonesian private sector (*see* Indonesian Law No. 13, Year 2003, Section 8, Paragraphs 42 to 49 about Labour / Employment) has increased the labour supply in employment markets, and consequently, made it more difficult for locals to find an opportunity for work and to get better jobs.

This general condition is worse for university graduates because they have a lack of practical skills, knowledge and a network to find jobs. Employers prefer to find highly qualified human resources who already have skills, knowledge and networks. However such employees are, in fact, over supplied and consequently, employers place fresh university graduates as their second or third consideration. This situation has led students and graduates to start finding other solutions for their future working life and one of their choices is to become an entrepreneur or self-employed.

### **1.1.2. Entrepreneurial Role Model in Indonesia**

Though there are no specific studies dedicated to the entrepreneurial role model in Indonesia such a proposition can be viewed from two perspectives: (1) the Indonesian economy and (2) Indonesian socio cultural background.

From the *perspective of the Indonesian economy*, despite the problems raised above, Indonesia can be viewed as a dynamic and important developing Asian economy that has delivered strong economic performance during the 1980s, 1990s and beginning of the 2000s. Economic development on average grew more than 5% every year, (Indonesian Central Bureau of Statistic, 2008). Since then it has been considered one of the new economic powers amongst those developing countries in Asia who are well known as the *Asian Tigers*. Thus Indonesia ranks alongside China, Hong Kong, India, Taiwan, South Korea and Singapore.

The performance of the Indonesian economy for 1990, 2000 and 2010 as shown by the main macroeconomic indicators of: Gross Domestic Product (GDP), per capita GDP, economic growth, the rate of unemployment and the rate of inflation are shown in Table 1.1 below.



Table 1.1  
Indonesian Macroeconomic Performance  
1990, 2000 and 2010

No	Main Macroeconomic Indicators	Years		
		1990	2000	2010
1	Gross Domestic Product (GDP) at current price ( <i>in trillion IDR</i> )	195,597.20	1,389,769.90	6,436,270.79
2	Economic growth (in %)	7.24	4.92	6.20
3	Per capita GDP (in IDR)	1,097,812	6,751,601.46	27,084,008.20
4	Inflation rate (in %)	7.84	3.77	5.13
5	Open unemployment rate	2.4	6.08	7.14

Sources: 1. *Statistical Yearbook of Indonesia 2012* by Statistics Indonesia, 2012

2. *Trends of Selected Socio-Economic Indicators of Indonesia 2012* by Statistics Indonesia, 2012

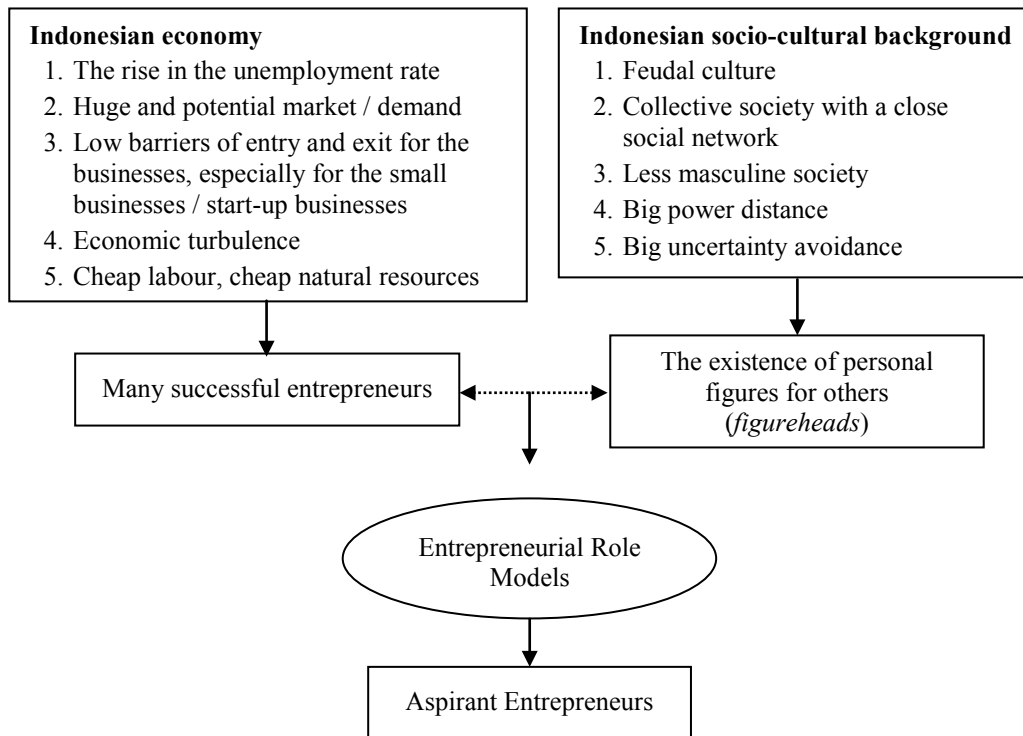
Obviously, such economic performances have opened various opportunities for Indonesian people. Their purchasing power increased, the standard of living was much higher compared to previous years, and chances for business and investment opportunities were more accessible. However, the main problem lay in the inequality of priorities in economic development between sectors and regions. Conglomerations and larger enterprises played the major part in the economic development of the nation and were found across most business sectors and so controlled and conducted business in many strategic sectors. Unfortunately, this was not simultaneously accompanied with full attention to strengthen what could be called *the grass roots economy* – where people, community and society were actively encouraged in economic activities (Indonesian Ministry of Cooperatives and Empowerment of Small Business, 2008). This inequality brought problems and negative impacts when the financial crisis hit the Indonesian economy in the late 1990s to early 2000s. Conglomerations and larger enterprises collapsed, many businesses were made bankrupt and closed down, the unemployment rate was high and economic performance slowed down severely. This frustration led people to

trying other alternatives to make a living and most of them turned towards an entrepreneurial career rather than hoping to work in either the public or private sectors.

From the *perspective of socio-cultural background*, as a nation both with an Asian background and as with many other post-colonial countries, Indonesian culture is dominated by a *feudal culture*, where people treat individuals who have higher status as the important figures who should be followed and served. Indonesian culture is also dominated by the *culture of hospitality* where *chatting and socializing* is beloved. This arises from it being a collective society rather than an individualistic society. This culture, more or less, has contributed a negative influence on the working performance of the people. Low working concentration and low affectivity arising from chatting and socializing are the two significant disadvantages of this culture which have caused poor work performance.

Other facts of Indonesian socio-cultural background which are: less masculine, big power distance and the tendency to avoid uncertainty (see the study of Hofstede, 1990); have also contributed to the existence of charismatic leaders or figureheads, either formal or informal, for other people in a community. These figureheads are successful individuals and usually politicians, athletes, government officers, leaders of society (formal or informal), lecturers / researchers; businessmen and businesswomen. The cultural perceptions of Indonesian people have made it very possible for an individual who conveys good social and financial status to become an important figurehead for other people. In this study, these figureheads are mostly successful entrepreneurs or executives / directors of companies. Figure 1.1 below shows the contemporary antecedents for entrepreneurial activities in Indonesia and their relationship to the existence of role models.

*Figure 1.1*  
The Reasons for Entrepreneurial Activities and Their Link to the Importance of Role Models in Indonesia



### 1.1.3. Entrepreneurship, New Venture Creation and Small and Medium Scale Enterprises (SMEs) in Indonesia

There is a direct relationship between entrepreneurship and the existence SMEs in respect of their contribution to the economic development of a country. The discussion of entrepreneurship will usually lead to the discussion of the new venture creation and furthermore, the contribution of SMEs to economic development. Therefore, in terms of the economic performance of a country, one cannot separate the discussion on entrepreneurship from the existence of SMEs.

In the case of Indonesia, aspirant entrepreneurs are usually starting their business from a micro enterprise / business and which might have the potential to be further upgraded to a small business / enterprise. Through government policies, support and intervention to foster the development of SMEs, micro enterprises are stimulated to improve their

performance so they can be upgraded, and, so, categorized as SMEs. Such ‘upgrading’ is not only applicable to micro enterprises but also to small enterprises becoming medium sized enterprises, and so on. Government institutions, either central, or provincial, are the main actors in the implementation of these policies, support programmes and interventions for SME development.

In a recent government law regarding Micro, Small and Medium Scale Businesses (Law No. 20, Year 2008) which was in force from 2009, the Indonesian central government categorizes firms into micro, small and medium scale businesses on two criteria: (1) sales per year, and, (2) total assets (excluding the value of land and buildings). This recent law is an improvement on the previous law and government regulation regarding small and medium sized businesses (Law No. 9/1995 about Small Business alongside Presidential Instruction No. 10/1999 concerning The Empowerment of the Medium Scale Enterprises) which, unfortunately, only mentioned criteria for small and medium scale businesses.

The arrangement covering the criteria of small and medium scale business can be seen by a comparison of these two laws in Table 1.2 below.

Table 1.2  
Criteria of Small and Medium Scale Business by Laws and Regulation in Indonesia  
in '000 Indonesian Rupiahs

No	Indicators	Law No. 20/2008			Law No. 9/1995 and Presidential Instruction No. 10/1999		
		Micro	Small	Medium	Micro	Small	Medium
1	Sales per year	≤ 300.000	300.000 - ≤ 2.500.000	2.500.000 - ≤ 50.000.000	N / A	≤ 1.000.000	≥ 10.000.000
2	Assets (land and building shall not be counted)	≤ 50.000	50.000 - ≤ 500.000	500.000 - ≤ 10.000.000	N / A	≤ 200.000	≥ 200.000

*Source: Indonesian Ministry of Cooperatives and Empowerment of Small-Medium Entrepreneurs, 2008 in [www.depkop.go.id](http://www.depkop.go.id)*

Apart from the above criteria, micro, small and medium scale businesses in Indonesia should also fulfil the following conditions:

1. The businesses should belong to an Indonesian citizen;
2. Be self-managed or having autonomy by not being an affiliate of a larger company;
3. The business status can be self-proprietorship, or an informal business; or
4. A formalized business under legal status, or a cooperative.

In general, SMEs fulfil an important role and make an important contribution to regional and countrywide macroeconomic performance (see the studies of Thurik, 2008; Naudé, 2007; Lafuente et al., 2007; Schramm, 2004; Acs and Yeung, 1999). In the case of Indonesia, the macroeconomic contribution of micro enterprises and SMEs is based on four measurements and indicators: (1) contribution to GDP (at current and constant prices), (2) non-oil and gas national export, (3) employment rate, and (4) national investment (at current and constant prices). The contribution of micro enterprises and

SMEs to Indonesia's GDP on average is more than 50%; to national exports between 15% and 20%; to employment, more than 95%; and to the national investment the average is more than 45% (Indonesian Office of Statistics and the Indonesian Ministry of Cooperatives and Empowerment of Small-Medium Entrepreneurs, 2012). Details of Micro, Small and Medium Scale Enterprises (MSMEs) contribution to Indonesian macroeconomic performance for 2009, 2010 and 2011 are given below.

Table 1.3  
Contribution of Micro, Small and Medium Scale Enterprises (MSMEs) to Indonesian  
Macroeconomic Performance (2009-2011)  
in %

No	Contribution to:	2009	2010	2011
1a	Gross Domestic Product ( <i>at current price</i> )	56.53	57.12	57.94
1b	Gross Domestic Product ( <i>at constant price</i> )	58.05	57.60	57.83
2	Non-oil and gas national export	17.02	15.81	16.44
3	Employment Rate	97.30	97.22	97.24
4a	National Investment ( <i>at current price</i> )	49.19	48.20	50.04
4b	National Investment ( <i>at constant price</i> )	49.39	48.34	49.11

*Source: Indonesian Office of Statistics and Indonesian Ministry of Cooperatives and Empowerment of Small-Medium Entrepreneurs, 2012 in [www.depkop.go.id](http://www.depkop.go.id)*

The importance of the SME can also be recognized from the fact that SMEs are the main economic actor who has survived during the financial crisis in Indonesia from 1997-2002. They took over the roles of the larger enterprises in maintaining the balance of Indonesian economy and driving all economic activities and sectors during this crisis. During those years, SMEs played an important role in saving the Indonesian economy, and amazingly, they were resilient to the financial and economic crisis. Local resources,

a local market and the ability to work within their own limited funding and resources were the key points that made Indonesian SMEs resistant to the crisis.

## **1.2. Research Objectives**

1. To argue that role models can influence entrepreneurial motivation.

Previous research and studies either in psychology or organizational study have shown that the role model can influence the motivation of people. The studies of Erikson (1985), Krumboltz (1996), Lockwood and Kunda (1999) and Gibson (2004) all support this argument. They found that the role model can serve as sources of: (1) learning, (2) *motivation*, (3) self definition, and (4) career guidance. Putting the results and findings of this research stream into an entrepreneurship context, this research seeks to support the argument that role models can influence individual motivation, in particular, student entrepreneurial motivation, to become an entrepreneur.

2. To find and explain how role models influence the entrepreneurial motivation of aspirant student entrepreneurs.

Concerning this objective, the research is using opinion from both Carroll and Mosakowski (1987) and Sorensen (2007) regarding '*mechanisms*' that are taking place in the process by which individuals come to treat another individual(s) as role model(s). Carroll and Mosakowski (1987) advocate one perspective that an '*exposure*' mechanism is the common process, whilst Sorensen (2007) argued that a '*closure*' mechanism is taking place when treating an individual as a role model.

3. To find out and explain which role models (from several constructs of role model: parents, sibling, uncles / aunties, teachers, other relatives and successful entrepreneurs) have the more significant influence on entrepreneurial motivation.

Expanding Gibson's (2004) structural dimension of the role model and drawing upon studies and research regarding parental and gender role models, this research intends to, firstly, specify particular role models for individuals that can be chosen from the possible constructs of role models; and secondly, assessing which one of them can bring the most significant influence to entrepreneurial motivation. (see Speizer, 1981; Barling, Dupre and Hepburn, 1998; Halaby, 2003; Niitykangas and Tervo, 2005; Murell and Zagencyk, 2006),

4. Developing models of how successful entrepreneurial role models influence entrepreneurial motivation.

On this point, the research intends to build a model(s) to show the mechanism of role models in influencing students' entrepreneurial motivation. This objective is closely related to research objective two, regarding influencing mechanisms from the role model. As the basis for the analysis, models are developed by considering the push and pull factors into an entrepreneurial career (Gilad and Levine, 1986 and later Campbell, 1992); the theory of the role model (Gibson, 2004); the studies of entrepreneurial traits and personality as well as the study of entrepreneurial motivation (Shane et al., 2003).



### 1.3. Research Questions

1. How successful entrepreneurial role models can influence student entrepreneurial motivation?
2. Which successful entrepreneurial role models (from several constructs of a role model) will most influence student entrepreneurial motivation?

### 1.4. Hypotheses

**H1.** *Role models influence student entrepreneurial motivation by changing opinion and attitudes toward entrepreneurship and career choice.*

The change agent through social influence can change attitude and opinion. As Katz (1960), attitude is formed by the need in an individual which may arise from, or be triggered by, relevant circumstances in their social environment. Kelman (1961) stated that individual opinion can be changed if there is social influence in terms of compliance, identification and internalization, in which a change-agent is taking part. In relation to this hypothesis, it is assumed that the role model acting as a change-agent can change the opinion and attitude of the students toward entrepreneurship and their career choice.

**H2.** *The closure mechanism is the most common mechanism for students to treat and appoint other individuals as their role models.*

Following Sorensen (2007), the research believes that the *closure mechanism* is the most common pattern for individuals to treat others as their role models. As Sorensen (2007) mentioned, the closer that individuals are to their role model, the more likely they will treat and appoint them as their role model.

**H3.1** *Role models to be considered important and relevant for the choice of entrepreneurial career by students are the people within their very close social network, i.e. family members.*

The studies of Mallette and McGuinness (1999), Matthews and Moser (1996) and Morrison (2000), as cited in Kirkwood (2005), are the basis for this hypothesis. They found that there is a tendency in an individual to become interested in entrepreneurship if they have an entrepreneurial family background. Morrison (2000) argued that if one has had previous experience of the effects of entrepreneurship from a family member, they will be more prepared for entrepreneurship and thus family support can also make a positive contribution to an entrepreneurial mind-set.

**H3.2** *Parents, who are entrepreneurs, are considered to have most significant influence for undergraduate students to become an entrepreneur.*

This hypothesis follows Bygrave (1995), who argued that “if you have a close relative who is an entrepreneur, it is more likely that you will have a desire to become an entrepreneur yourself, especially if that relative is your mother or father” (p.7).

This is consistent with Gibson and Cordova (1999) who argued that the early role models for individuals are normally their parents and that later role models are usually ones who come from a ‘*wider arena*’. It is clear that parents have the *power* to be positioned as the role model for the children since in the Indonesian cultural context; they are likely to adopt and follow what their parents do and ask. Parents are also in perfect position to become the change-agent for their children, because they can change their children’s attitude and opinion. Some parents may well want to make efforts to change their children’s opinions and attitude towards an entrepreneurial career.

## 1.5. Relevance of the Research

### 1.5.1. Theoretical Relevance

In entrepreneurship theories, preparing individuals, in particular students, to become an entrepreneur is not only a matter of knowing and mastering management and business skills. Personality considerations also need to be addressed (Kuratko, 2005). In this respect this research not only contributes to our knowledge on entrepreneurial traits and personality but will also link this to a discussion on entrepreneurial motivation.

Those personality factors predisposing someone to become an entrepreneur have been studied mostly within the fields of the personality traits and characteristics of entrepreneurs (McClelland, 1961 and 1987, Rotter, 1966, Dyer, 1994, Grant, 1996). Research and studies concentrating on entrepreneurial personality show that the motivation to become an entrepreneur is based mainly *on push and pull situational factors* (Campbell, 1992). Such factors offered being frustration with present lifestyle, childhood dreams, family business environment, education, entrepreneurial role models, work history and support network (Hisrich, 1990; Krueger, 1993; Mueller and Thomas, 2000; McMullen and Shepherd, 2006). The role model, as pointed out by Bygrave (1995) is seen as one of the push factors of entrepreneurship because when one knows successful entrepreneurs and can observe their performance, then this will create the greatest potential to adopt the role model's behaviour.

In general, the term 'entrepreneurial role model' means a person who can influence mind-set, attitude, decisions, and the behaviour of individuals to become an entrepreneur. In the context of this research this means in particular parents, sibling, relatives, successful entrepreneurs. Based on their proximity to an individual, the role

model can be someone who is coming from the individual's *very close* or *close* social network. Sometimes individual's, who are *not known personally* at all, will be adopted as a role model. The proximity consideration of the role model is used to identify constructs of the role model used in this study. The identification of these constructs of role models is achieved by combining the concept of the dimensional approach to the role model (Gibson 2004) and the theory of planned behaviour (Ajzen, 1991).

### **1.5.2. Practical Relevance**

In the context of Indonesia, the research is predominantly relevant to the condition of Indonesian students and graduates who need other people / figures to convince and guide them to enter into an entrepreneurial career whilst at the same time introducing them to the business world. As was shown in Figure 1.1, the existence of personal figureheads is important for Indonesian people, especially young people, as they can treat them as patterns for their future life and so can consider choices for their future career.

If it is related to the situation of limited employment opportunity, students need people from the entrepreneurial world who can give them an overview, change their opinion and mind-set, and furthermore, convince them to become an entrepreneur. Other practical and actual relevance of the study lies in the suggestion of an alternative method for delivering entrepreneurship education. For example, the possibility to involve role models in all levels of entrepreneurship education but particularly in higher education. If parents turn out to be influential role models then integrating them into the higher education process produces different challenges to integrating entrepreneurial role models through class involvement.

## **1.6. Conceptual Underpinnings of the Research**

The main resources and basis for the conceptual framework of this research is the role model work from Gibson (2004), entrepreneurial personality and traits work from various scholars and the theory of entrepreneurial motivation from Shane et al. (2003).

The results and findings of the studies by psychologists and organizational scholars show clearly that role models can serve as sources of learning, motivation, self-definition and career guidance (the studies of Erikson, 1985; Krumboltz, 1996; Lockwood and Kunda, 1999 and Gibson, 2004). These overviews are used as the point of departure for this research which moreover, is trying to connect the existence of the role model with entrepreneurial motivation particularly for students in higher education institutions.

This research considers the following sub-themes: (1) dimensional approach of the role model and its social proximity, (2) the difference between role model - behavioral model - mentor as the three personal development targets, (3) reasons for people treating other individuals as their role model, and (4) parental and gender role models. Regarding entrepreneurial motivation, not only does the research draw extensively from Shane et al. (2003), it also makes clear the distinction between entrepreneurial motivation and entrepreneurial intention.

## **1.7. Research Contribution**

As mentioned by Gibson (2004), the *absence* of research in the field of the role model lies in particular research and studies, in which individual perceptions of their actual role model are explored along with the impact of those role models toward on an individual's

personality and their planning for their future. Empirical research findings regarding the roles and the influence of role models on people that motivate them to become an entrepreneur are seldom found. This research hopes it can fill this research gap and provide an appropriate discussion about the influence of social environment on entrepreneurial personality for the individual who wants to become an entrepreneur.

Considering the theory of entrepreneurial motivation as suggested by Shane et al. (2003), they classified the existing literature into either predominantly a quantitative viewpoint, or a qualitative viewpoint, based on the analysis and methodology that were used in each of the particular studies that they reviewed.

#### 1. Quantitative viewpoint

Shane et al. (2003) argued that entrepreneurial motivation from the quantitative point of view comprises of the Need for Achievement / N-Ach (McClelland, 1961), risk taking (Atkinson, 1964; Liles, 1974; and Venkataraman, 1997), tolerance of ambiguity, locus of control (Rotter, 1966), self-efficacy (Bandura, 1997), and goal setting (Baum et al. 2001). All of these studies were done quantitatively using numerical indicators as the basis of their explanation and arguments. This can be summarized in the following equation:

$$EM = f(N\text{-Ach}, RT, TfA, LoC, SE, GS)$$

Where:

EM	= Entrepreneurial motivation
N-Ach	= Need for Achievement
RT	= Risk taking
TfA	= Tolerance for ambiguity
LoC	= Locus of control
SE	= Self-efficacy
GS	= Goal setting

## 2. Qualitative point of view

The qualitative point of view in the research of entrepreneurial motivation is based on the study of Locke (2000) in which he argued that entrepreneurial motivation is the function of independence, drive and egoistic passion. This argument about the determinant of entrepreneurial motivation can be detailed as follows:

$$EM = f(I, D, EP)$$

Where:

EM= Entrepreneurial motivation

I = Independence

D = Drive

EP = Egoistic passion

Expanding on these studies and research into entrepreneurial motivation, this research offers another determining factor for entrepreneurial motivation as its main significant contribution to the knowledge on entrepreneurship. This is *'the social influence in the form of the existence of successful entrepreneurial role models'* as another possible determinant for individual entrepreneurial motivation. This can be shown as follows:

$$EM = f(RM)$$

Where:

EM = Entrepreneurial motivation

RM = Role Models

## 1.8. Previous Research and Studies

Most of the research and studies that assess and identify the reasons for people to enter into an entrepreneurial career were related to the subject of entrepreneurial intentions, and, were based mostly on The Theory of Planned Behaviour (Ajzen, 1991) and the Social Learning Theorists (Tarde, 1843-1904; Rotter, 1954, 1966; and Bandura, 1977). In his theory of planned behaviour, Ajzen (1991) explains that: “behavioural intentions are influenced by three factors: (1) attitudes, (2) subjective norms, and (3) perceived behavioural control”. He explains behavioural intentions as below:

$$BI = (W1) AB \{(b) + (e)\} + (W2) SN \{(sn) + (cm)\} + (W3) PBC \{(c) + (p)\}$$

where:

BI	= Behavioural intentions
AB	= Attitude towards behaviour
(b)	= the strength of each belief
(e)	= the evaluation of the outcome or attribute
SN	= Subjective norms
(n)	= the strength of each subjective beliefs
(c)	= the motivation to comply with the referent
PBC	= Perceived behavioural controls
(c)	= the strength of each control belief
(p)	= the perceived power of the control factors
W	= empirically derived weights

The use of the Ajzen (1991) theory of planned behaviour approach concerning the influence of personal attributes, personality traits, personal characteristics and personal motives on entrepreneurs and entrepreneurial intentions has been popular with scholars of entrepreneurship for many years (Gibb & Ritchie, 1985; McClelland, 1987; Boyd & Vozikis, 1994; Davidsson, 1995; Kolvereid, 1996; Dobbins and Pettman, 1997; Henderson & Robertson, 1999; Bridge et. al, 2003). In particular, van Gelderen et al.



(2006) explained entrepreneurial intentions of students in one New Zealand University by the theory of planned behaviour.

Concerning the specific empirical research on entrepreneurial role models and their influence on students, van Auken et al. (2006) compared the influence of the role model on entrepreneurial intentions between students in two universities in the USA and one university in Mexico. They found that fathers are the most significant influencer / role models for these students. Successful entrepreneurs, rather than those who do not own a business, have the greater role model influence on career intentions for American students.

Considering role model literature that is more broadly focused than students, Wagner and Sternberg (2004), Lafuente et al. (2007) and Lafuente and Vaillant (2008) have also shown a positive relationship between the strength of entrepreneurs and entrepreneurial relationships within a network and new start-ups by aspirant entrepreneurs. Speizer (1981) argued that a positive entrepreneurial performance will create a tendency for others to become an entrepreneur. Gibson (2004) identifies an alternative definition of the role model based on both theoretical and empirical studies; how to differentiate between a behavioural model, a mentor and a role model as constructs for personal development, as well as considering a dimensional approach to bundle those characteristics of a role model and which will vary according to individual perceptions. Whilst Filstad (2004) examined how newcomers used the role model in organizational socialization within a real estate agency. She found that the newcomers tended to use role models to: create a personal style and characteristics (such as: expectations, experience, self-confidence and competitive instinct); enhance ability; and increase motivation, in order to become proactive in establishing and maintaining relationships with others.

More recently, Bosma et al. (2011) considered the existence of the role model and its relationship to entrepreneurship. They detailed the importance of specific role models for entrepreneurs in the Netherlands. They found that role models are considered important for pursuing an entrepreneurial career and can influence entrepreneurs in the creation of a new venture. Moreover, they also found that the characteristics of an entrepreneur, firm, and level of education can affect how entrepreneurs view those role models they view through the media. Comparing Bosma et al. (2011) to this research draws the conclusion that there is a significant difference regarding the *target of the study*. Bosma et al. (2011) emphasized and concentrated their study on *actual entrepreneurs* – those who have started their business – by finding the influence of the role model to the entrepreneur. This research, on the other hand, concentrates more on the *motivation of the individual, in particular students*, to become an entrepreneur. It concentrates on offering more ‘micro’ level insights on the influence of role model on entrepreneurial motivation, whilst the Bosma et al. (2011) considered broader role model influences within entrepreneurship. However, their study can in most part be used as one of the main references in this work.

## **1.9. Research Limitations and Assumptions**

### **1.9.1. Limitations**

This research has limitations concerning the literature which is related directly to the topic of *entrepreneurial role models*. Specific books are not available and journal articles mainly view role models only from the perspectives and disciplines of psychology and organizational study. Anticipating this limitation, the research uses conceptual frameworks from both of those disciplines and has brought them into an entrepreneurship context.

The research also faces a lack of studies which specifically discuss *entrepreneurial motivation*. Most studies and research to identify the reasons for individuals to enter into an entrepreneurial career have been carried out in the field of *entrepreneurial intentions*, in which the Ajzen's Theory of Planned Behavior (1977, 1985) was used. This theory was then used as the point of departure for empirical research and studies to measure and identify individual behaviour at the point when they intended to become an entrepreneur.

This research uses another basis as its foundation. It uses *entrepreneurial motivation* to identify reasons why people would like to become an entrepreneur. It considers 'human motivation', which is related to the "*willingness for doing something*" - rather than intention which is related to *something that is wanted and planned to do* - as its research focus. This is why the basic conceptional framework of Shane et al. (2003) about entrepreneurial motivation is the key to this work.

Another limitation of this research lies in it being a *single study* concerning only Indonesian students. The researcher understands that the role model is closely related to a social environment within which *culture and norms* exist. As this study was undertaken only within a single cultural background (Indonesian culture), it would be exciting to draw comparative findings based on the results of other studies from different social environments and cultures, for example, the role models for students in western countries or other particular countries and continents. However, this study can form the springboard for others to contextualise the research to other cultures.

### 1.9.2. Key Assumptions

The research employs the following assumptions:

1. Topic

The research is focusing on investigating and analysing the *role model* rather than other constructs in a personal development target (behavioral model and mentor model). It also emphasizes an *entrepreneurial motivation* approach as its basis rather than an *entrepreneurial intention*.

2. Sample criteria

The research sample is based on the following assumptions and criteria: (a) they should be students in the 3<sup>rd</sup> year of study (out of four years) or in the 5<sup>th</sup> semester of study (out of eight semesters); (b) be living within the social network of an entrepreneur; (c) gender not a factor in selection; (d) individual age not a criterion either. In total, the sample was 291 students.

3. Role models are entrepreneurial role models, this means entrepreneurs who are living in the social network of the students. The possible role model construct is then identified based on its proximity to students, and categorized into very close and not known personally.

### 1.10. Definition of Key Terms

Key terms and definitions which are used in the research are as follows.

1. Role Model

The definition of the role model in this research is based on the key elements of the following three definitions:

*“A **Role Model** is a person who possesses skills and displays techniques which the actor lacks and from whom, by observation and comparison with his own performance the actor can learn” (Kemper, 1968).*

*“A **Role Model** is an individual whose behaviour, styles and attributes are emulated by other individuals” (Shapiro, Heseltine and Rowe, 1978).*

*“A **Role Model** is a cognitive construction based on the attributes of people in social roles that an individual perceives to be similar to him or herself to some extent and desires to increase perceived similarity by emulating those attributes” (Gibson, 2004).*

## 2. Entrepreneurial Motivation

Entrepreneurial motivation in this research follows the opinion of Shane et al. (2003).

***Entrepreneurial motivation** is the willingness of people to become an entrepreneur. The willingness is abstract and it comes from ‘inside’ of the people, which recognized as ‘human motivation.’*

## 3. Entrepreneurship

The definition of entrepreneurship in the research is mainly referred to as *change*, as pointed out by Audretsch as follows.

***Entrepreneurship** can be meant as a change. Since entrepreneurs are an agent of change then entrepreneurship is thus about the process of change (Audretsch, 1995). This corresponds with the further definition of entrepreneurship as activities to foster innovative change (Audretsch, 2003).*

## 4. Entrepreneur

Consistent with the preference for using the term *change* to define entrepreneurship, the research uses the definition of entrepreneur as follow.

***Entrepreneurs** are individuals, who always search for changes, respond to it and exploit it as an opportunity (Drucker, 1970).*

### **1.11. Organization of the Dissertation**

This dissertation consists of eight chapters which are organized as follows.

#### **Chapter I. Introduction to the Research**

This chapter identifies the background of the research, its relevance to theoretical and practical knowledge and the contribution to knowledge. It outlines briefly previous research and studies which are related to the topic. Research objectives, research questions, hypotheses, limitations and assumptions as well as key terms and definitions that are used in the research are all covered.

#### **Chapter II. West Sumatra, Andalas University and the Faculty of Economics.**

This chapter introduces the location of the research. It describes the West Sumatra Province (both geographical and demographic information), provides information about Andalas University and its Faculty of Economics (background information on departments and students, degrees and education offered by the faculty and the accreditation of the faculty). More detailed information relating to entrepreneurship education in the faculty is provided. This covers: an overview of the course, its approach, orientation and focus; its teaching and learning guidance, student assessments and marking system. This chapter concludes with the exposition of faculty resources (lecturers and researchers, facilities and infrastructures and teaching and learning methods that have been employed).

#### **Chapter III. Literature Review and Background**

This chapter introduces the literature used as the conceptual foundation and basic overview for further development of the research. It starts with the conceptual framework of entrepreneurship and entrepreneurs, entrepreneurship and economic

development, entrepreneurship and the creation of small and medium scale enterprises (SMEs) and entrepreneurship as a subject at higher education institutions. At the heart of this chapter, the theory of role model is introduced and discussed which comprises: the definition of a role model, the characteristics of a role model and the dimensional approach to role models, as well the exposition of parental and gender role models.

Entrepreneurial motivation is another important conceptual framework discussed in this chapter, which comprises: the quantitative and qualitative overviews of entrepreneurial motivations and distinguishes between entrepreneurial motivation and entrepreneurial intention. The chapter concludes with the discussions of the theory of social influence and cultural context in entrepreneurship.

#### **Chapter IV. Entrepreneurship Education in Higher Education Institutions**

This chapter introduces and discusses entrepreneurship education in higher education institutions. It comprises of sub-chapters concerning challenges and debates in entrepreneurship education; educational approaches; and considers appropriate teaching and learning models used by institutions in delivering entrepreneurship education.

#### **Chapter V. Research Philosophy and Design**

This chapter concerns the research philosophy. It comprises of a discussion around the ontology, epistemology, methodology, research paradigm and the theory building which were used. It also concerns itself with the research approach as well as research models, the population and sample of the research, data collection and instrumentation, variables and analysis.

## **Chapter VI. Results and Findings**

This chapter documents the results from the data and information gathered in the fieldwork. It describes the population and samples, the student overview regarding entrepreneur and entrepreneurship, the student entrepreneurial social network, learning experience by observing entrepreneurs, identification of role models and their influence and quantitative analysis using correlation analysis to measure the influence of each role model construct to student entrepreneurial motivation.

## **Chapter VII. Analysis and Discussion**

This chapter comprises the analysis of basic information of the research (students' overview regarding entrepreneurs, student entrepreneurial social network, learning experience from entrepreneurs and their plan for entrepreneurial career), identification of the person(s) who can influence them for their future life, the ways that role models influence students' entrepreneurial motivation, influence and impact given by role model and construct of role model and its correlation with student entrepreneurial motivation.

## **Chapter VIII. Summary and Implication**

This chapter summarises the research and the implications. It concludes with a possible future research agenda within this research topic.



## **II. West Sumatra, Andalas University and the Faculty of Economics**

### **Introduction**

The purpose of this chapter is to introduce the location of the research. This chapter introduces both the West Sumatra Province of Indonesia as well as Andalas University and the Faculty of Economics as an academic unit within Andalas University. It is then followed by information about entrepreneurship education at the faculty, student assessments and marking system, faculty resources and facilities in delivering courses / subjects.

Detailed information on how the faculty delivers entrepreneurship subjects to our students is also explained. Specific details of how the subject is delivered are in Appendix 8.

### **2.1. West Sumatra Province**

#### **Introduction**

West Sumatra is one of the provinces in Indonesia, it is a mountainous region divided by three valleys. Minangkabau land (shortened to Minang), by which West Sumatra is often named, is very special and unique as the home of the Minangkabau tribe which is one of the hospitable tribal groups in Indonesia. The tribe are open and friendly with visitors and will talk freely about their unique society openly. If a visitor tries to understand the culture and Minang traditions they will encounter a reciprocal nature. It is very common for visitors to be invited as a guest to their homes as part of their culture hospitality - a unique way to become acquainted with real Indonesian life. They are shown the community and their customs. From a social perspective the people are congenial and

eloquent in a poetic style of speech and ceremonies. Festivals are colourful occasions not to be missed.

### **2.1.1. Geographic Information**

West Sumatra is one of the thirty-three provinces of Indonesia. Geographically, the province lays in the Equator, situated along the western coast of Sumatra Island and covering areas of 42,297.3 km<sup>2</sup>. It has borders with North Sumatra Province (North West), Riau and Jambi Provinces (East) and Bengkulu Province (South East) and includes Mentawai Islands off its western coast.

West Sumatra contains two geographical areas: mainland and islands. The mainland lies in the island of Sumatra and mostly consists of highland. The highest areas are found in surrounding *Bukit Barisan*, which lies from North to South East of the province. The low land areas are found in the west of the Sumatra Island, covering areas of Pesisir Selatan, Padang Pariaman and Pasaman. The Mentawai Islands are located in the west off the coast of Sumatra Island and their western edge borders the Indian Ocean.

More than 50% of the mainland is covered by tropical rainforest, especially the hilly areas in *Bukit Barisan*. The mountain areas are found in-between four volcanoes (Marapi, Singgalang, Tandikek and Talang) of which three of them are categorized as active.

The position of the West Sumatra Province is shown on the map of Indonesia below.

Figure 2.1

Location of West Sumatra Province in Indonesia



 West Sumatra Province

The capital of West Sumatra is Padang, which is located on the western coast of Sumatra Island has an area 694.96 km<sup>2</sup>. It serves as the centre for the provincial government, administration, education, transportation, trade and health.

### 2.1.2. Demographic Information

Based on the 2011 / 2012 census, the total population of the province in 2011 reached 4,904,460 people with the density amounting to 115 people per square kilometres. During 2000-2004, the population grew 1.6% per year. This was at the lower level of the national population growth population which amounted to 2.14% per year. The following table shows the total population of the West Sumatra Province from 2008 to 2011.

Table 2.1  
Number of the West Sumatra Population by Sex (2008-2011)  
(in people)

Years	Number of Population		Total
	Male	Female	
2011	2,432,826	2,471,634	4,904,460
2010	2,404,377	2,442,532	4,846,909
2009	2,367,599	2,460,374	4,827,973
2008	2,346,299	2,416,800	4,763,099

*Source: Regional Development Planning Board of West Sumatra and Statistics of West Sumatra Province, West Sumatra in Figures 2011/2012*

The figures above show the population who live inside the West Sumatra Province. It covers the mixture of tribes who are living in West Sumatra and not only the figure for the Minang tribe but who make up around 80% of this total population. If one would like to estimate the total population of Minang tribe alone, then we need to add in the number of the Minang tribe living outside of the province (as the consequence of *merantau* in their culture) which can reach three times the total living inside the West Sumatra Province.

### **2.1.3. Minangkabau Tribe and Culture and Relationship to Entrepreneurship**

West Sumatra Province is the home of Minangkabau tribe (shortened to Minang tribe), and more than 90% of them are Muslim and so mosques can be found in all parts of the province. The roots of the Minang people are divided into seven big tribes / races, which are called '*Suku*'. The big suku are Piliang, Chaniago, Melayu, Tanjung, Koto, Sikumbang and Mentawai. Despite the existence of those seven big Sukus, the West Sumatran people prefer to be called and united as the Minangkabau people.

The culture of the Minang tribe is founded on their main religion (Islam) and therefore, cultural occasions and festivals are rooted in the Islamic spirits which are described in the saying: the tradition (*adat*) is founded upon Islam and Islam is founded upon the Quran. Despite most of the population being fervent Muslims, the Minang tribe embraced the idea of incorporating Islamic ideals into modern society and, therefore, they are considered as one of the most moderate Muslim populations in Indonesia. The presence of intellectuals combined with religiosity and their basic character has made the Minangkabau land a unique place to live. People are tolerant and can easily live with others from different religions and cultures. They can also adapt easily to other people and places, and therefore they can also easily live outside of their homeland.

The Minang tribe recognizes three pillars that build and maintain its integrity. They are *alim ulama* (Islam scholars), *cerdik pandai* (intellectual) and *ninik mamak* (uncles and the leaders of the tradition). Alim ulama maintain the integrity of the religion (Islam), cerdik pandai maintains the integrity of knowledge and ninik mamak maintains the integrity of customs and tradition. Together, they provide the main foundation of the tribe and are named as Tungku Tigo Sajarangan. All matters regarding the interests of the tribe are discussed by them so that all members of the tribe benefit from a democratic system to for their spacious thinking, embracing the freedoms of life to change their fate and to seek and achieve knowledge and wealth. They habitually think carefully, and correctly, and analyse all knowledge critically – whilst still displaying hospitality as part of their basic character. Therefore, many Minang people are well known in Indonesia as entrepreneurs, traders, writers and journalists, politicians, scholars and educators.

Family and its culture is one of the most important elements of life for the Minang people. People conveniently stay in their core family and their relationship with family

members remains close over time, wherever they live. The Minang tribe is one of the tribes in the world, which has the '*matrilineal system*' as their family system. In fact, the Minangs are the world's largest matrilineal society in which properties such as land and houses are inherited through the female lineage. Thus, females have a very important position in the family and can make the most important decision for the whole family, especially if they are related to the cultural and tradition issues (the legacies, assets of the clan, cultural ceremonies etc.).

Travelling, wandering and living outside of the province are considered as a mark and indicator of success for the Minang males (although nowadays, Minang females are also doing this). Many Minang people are being found "*merantau*" (emigrated) to other parts of the country, mostly doing entrepreneurial activities or just to study. Merantau has become part of the culture of the Minang tribe – as the nature of Minang people is to be mobile and to prefer not working as an employee, (Bungo and Husin, 2011). A family will eagerly be proud to answer the question regarding the job of its children by declaring them to be an entrepreneur or trader rather revealing that their children are just working as an employee. Success as an entrepreneur or trader is something to be proud about and is a status and prestige symbol for the family.

In *merantau*, the young males (mostly after the ages of 18-20) leave their homeland to immigrate to other places and carry out entrepreneurial activities for their daily life. The process of merantau is started as early as the age of seven, when boys are traditionally encouraged by their parents and wider family to take part actively (and even live) in *surau* (a prayer house and community centre) to learn religious and cultural teachings, traditional Minang self-defence (which is called *pencak silat*) and establishing friendships

and a network . The boys are mentored by the Islamic leader of this society (*alim ulama*) during their stay in surau. In this stage, there is no sign of entrepreneurship learning given by the ulama. The main objective is only to prepare the young boys' mentality and personality to enable them to face challenges in their life.

As the boys are becoming teenagers, they are then encouraged to leave their homeland to learn practical skills from their experience outside of their homeland. Some study in other parts of the Country but most of them are actively entering into entrepreneurial activities, mostly as informal traders. In this stage, the teenagers are prepared with the necessary experience and practical knowledge so that when they are adults, they could return home knowledgeable and contribute to society in a useful way to run the big family or *nagari* (homeland).

The process of *merantau* has successfully created many Minang entrepreneurs who have important positions in Indonesian business activities and communities. According to Naim, (1984:61-66) the reasons of the Minang tribe following merantau are: (1) ecology and geography, (2) economy and (3) education. In respect of ecology and geography, the Minang tribe realized that their homeland is located out of the centre and axis of Indonesian trade and politics. This has resulted in the recognition that to develop further, they should go and struggle outside of their homeland. The reason of economy is related to the huge opportunities of gaining wealth in other locations rather than in their homeland. Meanwhile concerning education, the young generation of the Minang tribe believes that they will get a better education outside of their homeland. These reasons, and the process of merantau itself, have created specific characteristics and have become the cultural values of the Minang tribe (Pelly, 1994:19).

Initially, the Minang entrepreneurs are getting in touch in entrepreneurial activities with the help and assistance of mentors (who are also the Minang people and successful entrepreneurs) by providing temporary employment opportunities in their businesses. The businesses are various, but mostly trading (textiles, gold and silver handicrafts, antiques goods); printing services; private educational services; tourism services and restaurants. Learning processes are then started and enacted within this stage and when the young are ready, they can start their own businesses using their savings sometimes supplemented with a small loan from relatives. In the philosophy of Minang entrepreneurs, one successful West Sumatran entrepreneur should create at least three young Minang entrepreneurs, (Elfındri et al. 2010). This philosophy has been successfully implemented and as a result one can find many Minang entrepreneurs nationwide.

## **2.2. The Faculty of Economics – Andalas University**

### **Background on Andalas University**

The university is one of the biggest universities in Indonesia in terms of student population, academic units and study areas, compared to other universities outside of Java. Established in 1955, it is the oldest university outside of Java Island and has become one of the most popular universities in Indonesia for potential graduates to gain degrees in various fields. The University is an Indonesian state owned university and is categorized as a public higher education institution.

The university is located conveniently at *Limau Manis*, at the east of the city of Padang; around 17 km from the city centre. The main campus is in the hilly area covering about 500 hectares (including sports facilities, farm and plant laboratories, dormitories, student



union building, auditorium etc.). Almost all of the faculties and university facilities are located in Limau Manis except the Faculty of Medicine which is located in the city (near the Padang and West Sumatra central hospital) and the Agricultural Polytechnic which is located in the city of Payakumbuh; around three hours' drive to the north-east of Padang.

At present, the university has seventeen academic units (fifteen faculties, a polytechnic and a diploma), one graduate school and more than 40,000 students across a range of study areas and courses. The range of studies offered by the university starting from Diploma and progressing to Bachelor, Magister / Master and Doctoral Programmes, as well as other non-degree education. The academic undergraduate units are:

1. Faculty of Agriculture
2. Faculty of Animal Husbandry
3. Faculty of Cultural Science
4. Faculty of Law
5. Faculty of Economics
6. Faculty of Medicine
7. Faculty of Mathematics and Natural Science
8. Faculty of Social and Political Science
9. Faculty of Engineering
10. Faculty of Pharmacy
11. Faculty of Agricultural Technology
12. Faculty of Nursing
13. Faculty of Information Technology
14. Faculty of Public Health
15. Faculty of Dentistry
16. D3 Diploma (School) of Economics
17. Polytechnic of Agriculture

### **2.2.1. The Faculty of Economics**

The faculty is one of the biggest and important faculties in the university in terms of student population, facilities, revenue and funding. It is also one of the oldest faculties of the university with many reputable graduates spread all over Indonesia.

The faculty is led by the Dean and assisted by three vice deans; in academic, personnel and finance, student affairs roles. It has three major departments; accounting, management and economics, and has professors from various fields of expertise.

In the academic year 1990 / 1991, the Faculty of Economics was relocated to the new campus in *Limau Manis* where the main campus of Andalas University is located. The faculty received an allocation of 8,700 m<sup>2</sup> of building and office complex. There are three main buildings in the faculty's education and office complex, *Gedung Dekanat* (Dean's Office), *Gedung Dosen dan Peneliti* (Lecturers and Researchers Office), Departmental Offices and Laboratories (mainly for computing, quantitative data analysis and accounting) as well as research centres and institutes. There are also several supporting buildings such as faculty and department libraries, seminar rooms, reading rooms, polyclinic, student union and student senate office.

### **2.2.2. Departments and Students**

The faculty has achieved their best performance during the last ten years. It has been awarded an "A accreditation" from The Indonesian National Accreditation Board in 2005, which means that the faculty is recognized for its high standard and quality in teaching, research, along with its participation in community development and facilities. All of the Departments (Accounting, Management and Economics) were given 'A' accreditation in

2005 after they passed very strict screening criteria. That was for a continuous and significant performance by the faculty and signified that it has succeeded in maintaining and improving its performance every year. For the next ten years, the faculty has stated that its focus is to improve academic relationships with the foreign higher education institutions, either regionally or internationally. Currently, the faculty has established academic relationships with several higher education institutions in Malaysia, Thailand, The Netherlands and Japan.

The Faculty is also one of the biggest faculties of the university in terms of student population. On average, there are more than 4,000 bachelor students in the three academic departments (Economics, Management and Accounting). Details of the number of students in the bachelor programme of the faculty are given below.

Table 2.2  
The Faculty of Economics, Andalas University  
Student Population in Bachelor Programmes  
Academic Year 2007 / 2008 to 2010 / 2011  
(in people)

No	Department	2007 / 2008			2008 / 2009			2009 / 2010			2010 / 2011		
		M	F	T	M	F	T	M	F	T	M	F	T
1	Economics	305	299	604	377	357	734	398	334	742	425	386	811
2	Management	601	526	1127	676	588	1264	722	647	1369	764	702	1466
3	Accounting	415	797	1211	463	824	1287	521	877	1398	586	946	1532
<b>Total</b>		<b>1352</b>	<b>1622</b>	<b>2847</b>	<b>1516</b>	<b>1769</b>	<b>3285</b>	<b>1641</b>	<b>1868</b>	<b>3509</b>	<b>1775</b>	<b>2034</b>	<b>3809</b>

Source: Academics Department of the Faculty of Economics, Andalas University

M = Male  
F = Female  
T = Total

### **2.2.3. Degrees and Education**

The faculty offers four degrees at various levels to its students: Diploma, Bachelor, Magister / Master and Doctoral degrees. The diploma takes three years (six semesters) and the bachelor usually takes four years (eight semesters) full-time to be completed. The magister / master degree requires 2 years of full time study and the doctoral degree needs 3 – 5 years for completion. Following university policy, the faculty does not provide a part-time mode of study.

The magister is an advanced study for the bachelor graduates. So far, there are three magister programmes offered by the faculty. The first is the Magister in Management (MM) Programme with the major / study concentration in Strategic Management, Financial Management, Marketing Management and Human Resource Management. This programme is run completely by the faculty. The second is the magister in regional planning and development (Magister Sains in Regional Planning and Development / MSi) which is offered jointly with the graduate school of Andalas University, and recently, the faculty has launched the Magister Programme in Accounting. The magister programme normally takes two years (four semesters) to be completed. The faculty also offers a Specialist Degree in Accounting and Specialist Degree in Tax which need one year to be completed and several non-degree courses in various fields.

Recently, the faculty has also launched a doctoral study in economics and magister programme in accountancy.

Details of the degrees offered by the faculty and its educational concentrations found in Appendix One.

#### **2.2.4. Accreditation**

All departments of the faculty have 'A' accreditation level / status given by the Indonesian National Accreditation Board (BAN) as an acknowledgement of the quality of teaching and learning in the faculty. The important appraisals successfully met to have gained this 'A' accreditation cover several criteria such as: the qualification and competency of the lecturers and researchers; research activities of the faculty; facilities to support lectures; students' welfare; students' performance; institutional dedication in supporting community development; and relevance of the courses with the needs of industry and work place.

According to the Indonesian National Board for Higher Education Accreditation (BAN-PT) (see: <http://ban-pt.depdiknas.go.id>), they employ two models of accreditation:

##### **1. Accreditation Model for Study Programmes**

The model considers input, process and output-outcomes of the education experience. In this model, the accreditation standard is based on the following criteria:

- a. Vision, mission and objectives of the study programmes
- b. Management of institution and programme
- c. Students and assistance
- d. Curriculum
- e. Lecturers and supporting staffs
- f. Facilities and infrastructures
- g. Funding
- h. Academic atmosphere
- i. Community activities
- j. Information system
- k. Alumnae

### 1. Quality improvement and monitoring system

In this model, several aspects of the study programme from each university and department are considered; (1) relevance, (2) academic atmosphere, (3) institutional management, (4) sustainability and (5) efficiency.

### 2. Accreditation Model for Higher Education Institutions

In this model, the BAN-PT is measuring higher education institutions in Indonesia based on the following commitments:

#### a. Institutional capacity

Institutional capacity is the reflection of the capability and ability of the higher education institution to provide, at least, basic facilities in running higher education programmes. This can be in forms of vision, mission, objectives and targets, governance, management system, human resources, facilities and infrastructures, funding and information system.

#### b. Educational effectiveness

Education effectiveness concerns itself with the supply of inputs, process, educational atmosphere and product of academic activities. These can be in the forms of students care, curriculum, learning system, research, publication, innovativeness, community services, quality system, academic atmosphere, alumnae and quality of the study programmes.

Following these accreditation models, the accreditation of each study programme and higher education institution in Indonesia is then determined. Based on the first model (Accreditation for Study Programme), all of the departments at the Faculty of Economics – Andalas University (Accounting, Management, Economics) achieved an ‘A’

accreditation from BAN-PT. Under the second model (Accreditation for Higher Education Institution), Andalas University gets a 'B' accreditation from BAN-PT.

## **2.3. Entrepreneurship Education at the Faculty**

### **2.3.1. Introduction**

The main objective of the entrepreneurship education at the Faculty is to prepare students to become an entrepreneur. This follows the vision of Andalas University to become an entrepreneurial university and their intention to create young entrepreneurs from our graduates. The university and the faculty in particular, have high ambitions to become a leading entrepreneurship research centre in Indonesia, or at the very least, in the western part of Indonesia (Sumatra Island, part of Java Island and part of Borneo Island).

### **2.3.2. Orientation, Focus and Curriculum Structure**

Focuses of entrepreneurship education in the faculty are:

1. Introducing entrepreneurship
2. An entrepreneurial ability and attitude test
3. Entrepreneurial characteristics and personality
4. Entrepreneurial values and overviews
5. Supportive business and management concepts
6. Business Plan

The main emphasis is given to entrepreneurial testing, building and strengthening entrepreneurial characters-personality and achieving entrepreneurial values and overviews

rather than other three focuses (management aspects and tools, business plan and introduction to entrepreneurship). This is based on the reason (and fact) that students have been exposed previously to appropriate topics and courses that are related to the skills and tools for business and management. In their previous subjects such content was emphasised rather than considering personality development to become an entrepreneur or businessman.

Those orientation and focuses are then transformed into the arrangement of curriculum in the faculty, particularly in the Department of Management by establishing a specific study concentration / major in Entrepreneurship, where students can master their knowledge and skills in the particular fields of entrepreneurship. The main courses that are offered in this study concentration are:

1. Entrepreneurship in the 5<sup>th</sup> semester (cover the subjects of business ideas, personality building, entrepreneurial perspectives / values and business plan)
2. Business Environmental Analysis (in the 5<sup>th</sup> semester)
3. Business Negotiation Techniques (in the 6<sup>th</sup> semester)
4. Innovation Management for Small and Medium Scale Enterprises (in the 7<sup>th</sup> semester)
5. Seminar on Small and Medium Scale Enterprises (in the 7<sup>th</sup> semester).

Courses number 1, 2 and 3 are focused to develop students' ability, attitude, character, personality, values and perspectives to become an entrepreneur – while in the course number 4, students are directed to focus on the ability to become innovative at the same time as arranging their business concepts and plans. Course number 5 is particularly directed at updating the knowledge of the students regarding the latest development in the topics of entrepreneurship and small business management.



All of these courses are obligatory for the students majoring in Entrepreneurship. As the final assessment, they should write a final thesis according to their interests, ranging from entrepreneurship into small and medium scale enterprises areas.

### **2.3.3. Approach to Entrepreneurship Education**

Ronstadt (1987) states that an effective entrepreneurial programme should be designed based on the two continuums: (1) the *structured-unstructured* continuum and (2) the continuum of *entrepreneurial know-how* and *know-who*. The structured-unstructured continuum addressed various methods of transferring information and expertise to the potential entrepreneurs. These can be in the form of lectures, case studies and feasibility studies. Meanwhile, in the continuum of entrepreneurial know-how / know-who, Ronstadt (1987) says that the success of entrepreneurs depends not only on knowledge, but also on their social network. He further believes that the improvement of entrepreneurial behaviour and the introduction of those who can facilitate success is also part of an effective entrepreneurship programme.

Adopting the opinion from Ronstadt (1987), the faculty develops its entrepreneurship curriculum in the following ways:

1. Structured and unstructured learning and teaching

In the structured and unstructured learning and teaching, the students are given particular / specific subjects and courses that can support the main subject of entrepreneurship. All of the specialized courses and subjects in entrepreneurship are delivered in the study concentration / major of entrepreneurship at the Department of Management and comprise of: (1) Business Negotiation

Techniques, (2) Innovation Management for Small and Medium Scale Enterprises, (3) Business Environmental Scanning and Analysis and (4) Seminar of Small and Medium Scale Enterprises. These four courses are offered starting from the 5<sup>th</sup> semester / 3<sup>rd</sup> year of study and delivered in the form of lectures, case studies and the Business Plan.

## 2. Environmental learning

In this part, students are prepared with the focus to build and strengthen their entrepreneurial personality characters, attributes and traits to become an entrepreneur. As a part of this programme, the faculty jointly with the university invites successful entrepreneurs to deliver specific lectures (*studium generale*) about entrepreneurial practice. These can be in the form of their experience as an entrepreneur, tips and tricks to become a successful entrepreneur, motivation to become an entrepreneur, identifying business opportunities, managing companies and personnel, time management and business networks. The main objective of this programme is to motivate students, give them a clear overview about an entrepreneurial career and to let them learn based on the experience of others and in particular, successful entrepreneurs.

With the choice of conducting the structured-unstructured learning-teaching processes and environmental learning, the university and the faculty hope that they can equip their students with reasonable skills and knowledge. The aim is clear: the students can start their business in the future as soon as they are ready.

#### 2.3.4. Teaching and Learning Guides

Teaching and learning of entrepreneurship is designed to meet the orientation of entrepreneurship education as stated by the Faculty and University. The Entrepreneurship subject has three *Satuan Kredit Semester - SKS* (Semester Credit Earnings), in which every credit is equivalent to fifty minutes of the teaching and learning process. These three SKS comprise of: 2 SKS for teaching and learning activities and 1 SKS for exercise, training and practice. Along with other subjects, students have around fifteen hours of lectures each week.

A main guide for teaching and learning is the syllabus which is developed by the lecturers and using inputs from entrepreneurs who are mostly alumnae of the faculty. It provides a general overview and guidance for the course and consists of main and relevant issues that are delivered in the course. All lecturers are required to distribute the syllabus of their lecture to the students on the first occasion of each course. Students can then get a general overview regarding the course; how they will benefit from the course; and the subjects that will be delivered on the course. Lecturers and the faculty administration will also use the syllabus to monitor and control the delivery of the programme.

There is also a practical guidance in form of the *Satuan Acara Perkuliahan – the SAP* (a detailed practical guide for every lecture occasion) as the further development of the syllabus. This SAP is different to the syllabus. The syllabus describes the general overview about the course while the SAP describes the details and specifics of each particular subject in the course, including teaching and learning methods, literatures and references along with how to achieve the objectives of the teaching and learning processes.

The faculty uses both these two guides in its entrepreneurship course. The SAP of the Entrepreneurship course in the Faculty of Economics, Andalas University can be seen in Appendix Eleven.

#### **2.3.5. Students Assessments**

Both mid and end term paper assessments are used to measure students' academic performance. The arrangements for these two assessments are explained as follows:

1. A mid-term assessment in the form of a review of the papers, journals, case studies and other entrepreneurship literatures.

For this mid-term assessment, students are usually required to review, summarize and comment on papers, journals, case studies and other literatures about entrepreneurship and the practice of entrepreneurship. They can choose topics based on their own interest and are given a specific time and deadline to do this assessment at home. The mark is then given by the lecturer objectively and it should be clearly published and displayed on the department's information board / wall.

2. The final / end of term assessment is in the form of the Business Plan and the final project undertaken by the students.

This end of semester assessment encourages students to write a complete business plan to the standard and content which is normally used in practice by businesses and banks. They should prepare the business plan starting from finding the business ideas, choosing and analysing the best idea through considering - marketing, human resource, production, managerial / management requirements and legal aspects, and conclude with financial calculations and summary. Students

are given time before and during the examination term for finishing their business plan. The time to complete the business plan is normally around 4 weeks and must be handed in on the exact date stated by the lecturer. The same applies to the mid-term assessment; the marks are published and displayed on the departmental information board / the wall.

### **2.3.6. Marking System**

Marking system in the course is stated based on the marking system of the faculty (ranging from A to E in which A means the best / full marks and E is the worst). Anything below a grade D is a fail and the student must retake the course again. The lowest passing grade is 50, which is equivalent to C minus. The weight of each mark is based on the faculty's marking system as shown below:

A	=	90.00	–	100
A minus	=	80.00	–	89.99
B plus	=	75.00	–	79.99
B	=	68.00	–	74.99
B minus	=	65.00	–	67.99
C plus	=	60.00	–	64.99
C	=	56.00	–	59.99
C minus	=	50.00	–	55.99
D	=	40.00	–	49.99
E	=	00.00	–	39.99

The weighting of the marking system above as used in the faculty is based on the formal advice and guidance from the Indonesian Directorate General of Higher Education. This

is a national standard for the quality of education in Indonesian universities and should be followed by all universities whether public or private).

In the case of the entrepreneurship course, students will get their final mark at the end of the semester / term. The final mark comes from both the mid-term and end term assessments. Although lecturers are free to arrange and manage the proportions of each mark, normally each lecturer uses a simple arrangement and calculation for issuing their final mark. This is done as follow:  $\text{Final Mark} = (\text{Mid-term assessment mark} + \text{End term assessment mark}) / 2$ .

In fact, lecturers are free to choose the model of their final mark calculation. Most of the lecturers use the above mentioned system, but some lecturers are using other methods and ways to award their final mark to the students. Apart from that system, the *grading system* is also commonly used by several lecturers, depends on the weight of each assessment. In the grading system, the lecturers decide a certain percentage of mid-term and end-term assessment marks, and based on this they then calculate the final mark for the students.

## **2.4. Faculty Resources**

### **2.4.1. Lecturers and Researchers**

The faculty has 149 permanent positioned lecturers-researchers who actively engage in the teaching and learning processes in the three departments of the faculty (accounting, management and economics). All of the lecturers and researchers have the status of Indonesian government officer. Therefore, in general the lecturers and researchers of the

faculty have the same basic rights and obligations as other Indonesian government officers.

In detail, the faculty has 18 professors, 21 doctors, around 30 doctoral candidates, 42 masters and 11 master candidates in various fields / specializations in economics, management and accountancy. There are lecturers who still have bachelor degree, but this is only limited to the 'older' faculty members who are aged 50 or above and do not have the intention to pursue their study anymore.

The faculty members (lecturers and researchers) who have a specialization in entrepreneurship are few in number. This is understandable because entrepreneurship is one of the majors which the Department of Management has just introduced and launched in the last ten years. It is both the youngest and newest major in the department and has a small numbers of specialized lecturers-researchers in entrepreneurship and small and medium scale enterprises. There are only three faculty members having an academic background and specialized degrees in entrepreneurship and small business. They have master degrees with a specialization in entrepreneurship from universities abroad (Germany and Australia). All of them are currently pursuing the doctoral study at the moment.

The faculty has other qualified lecturers-researchers in entrepreneurship. They initially have a different academic background and qualifications to entrepreneurship, but gained their knowledge in entrepreneurship from short courses, training, workshops, practice and other academic improvement qualification programmes offered and held by the university or other institutions. This knowledge and experience is then transferred and delivered to the students. The policy of the faculty to continuously improve and maintain the

competency of its staff in this subject area and this had been the standard practice since the establishment of the major in entrepreneurship.

#### **2.4.2. Teaching and Learning Methods**

Teaching and learning to deliver entrepreneurship courses is still done via conservative teaching and learning modes, which means that teaching and learning are still using a *one way* mode in which the lecturer delivers lectures in front of the class.

Interactive teaching and learning is however difficult. Simulation and role playing methods indeed are practiced in the entrepreneurship course but they need to be used more effectively in helping to achieve the objectives of the specific lectures in the course. Because the educational system in Indonesia creates a passive atmosphere for students, most are still too passive in their reaction to interactive teaching styles. In addition, the feudal culture also matters – as the students always view that their teachers and lecturers ‘know’ everything and therefore, they intend and want to ‘listen’ more rather than ‘speak’ actively to discuss a topic with their teachers or lecturers. As the consequence, it is difficult to encourage their initiative and participation to take part in simulation or role playing games. There is also another problem due to the lecturer’s knowledge about these teaching and learning methods. Since the entrepreneurship course needs a special approach to teaching and learning, lecturers sometimes do not know how to deliver the course differently. They simply deliver the course in a one way teaching and learning method. Those are the main obstacles and limitations to carry out the two way methods of teaching and learning, where students should actively take part in each lecture.



Other approaches to entrepreneurship education practiced by the Faculty are by inviting successful entrepreneurs to come and give practical lectures in the form of the *studium generale*. The entrepreneurs are requested to share their knowledge, skills and experience about their daily life as an entrepreneur to the students. This is the most popular entrepreneurial education programme offered by the Faculty and can be seen from the response and the level of student attendance.

## **Summary**

The fieldwork took place in Padang – West Sumatra Province which is one of 33 provinces in Indonesia and located in the western part of Sumatra island. The people of the province are called the Minangkabau people – abbreviated as Minang people. They are well known and famous in Indonesia for their unique matrilineal culture and entrepreneurial culture. Minang people have a distinctive path of entrepreneurial culture from their particular culture named Merantau, which suggests their young males (nowadays also young females) immigrate to other places outside of their homeland to learn to become an entrepreneur.

The research was done at the Faculty of Economics – Andalas University in Padang which has the status as a public / state owned higher education institution / universities. The faculty is one of the oldest, biggest and most important faculties at the university in terms of number of students, facilities and infrastructures, revenues and funding. It has three major departments; accounting, management and economics and it offers degrees ranging from diploma – bachelor - master to doctoral degree.

The faculty offers entrepreneurship as an obligatory subject for students in the third year of study (their fifth semester) and opening a specific major / concentration in entrepreneurship situated in the Department of Management. As an obligatory course, entrepreneurship is offered to all of the students in all departments. For the major of entrepreneurship at the Department of Management, this is accompanied by other five specialized courses in entrepreneurship and small-medium scale enterprises.

The faculty puts the focus of its entrepreneurship education on building, strengthening and maintaining the entrepreneurial traits and personality of its students. It chose the *structured-unstructured* and *entrepreneurial know-how* and *know-who* as its main approach for its entrepreneurship education. The entrepreneurship curriculum is designed based on the structured teaching and learning (in the classes) and environmental learning, which lets students learn from their entrepreneurial social environment. The faculty (jointly managed with the university) also offers a regular *studium generale* in entrepreneurship to its students, which is delivered by successful local and national entrepreneurs.

### **III. Literature Review and Background**

#### **Introduction**

This chapter reviews the existing literature to gain an overview about the concepts and theoretical frameworks that form the conceptual underpinnings of the research. The review starts from the definitions of entrepreneur, and entrepreneurship, and how one can distinguish between those two themes. It is then followed with a review of how entrepreneurship has affected economic development and the links between entrepreneurship and the creation of small and medium scale enterprises (SMEs). Key literature on entrepreneurship education that relates directly or indirectly to the research topic is discussed extensively in a separate chapter.

The core of the review in this chapter centres on three main reviews: (1) entrepreneurial traits and personality, (2) the theory of the role model and (3) the theory of entrepreneurial motivation. The research mainly considers the entrepreneur as '*a person*'. Therefore, it exposes and explains work on entrepreneurial traits and personality as explanations for the success factors for new business ventures. The theory of the role model is considered to be the main core of this chapter. Particular attention is also given to distinguish between the concepts of entrepreneurial motivation and entrepreneurial intention as well as the differences between the concept of the role model and two other individual development targets (the mentor and behavioural models). To conclude, theories of social influence and the cultural context as they also affect entrepreneurship are discussed.

### **3.1. Entrepreneurship and Entrepreneurs**

#### **Introduction**

Understanding the theoretical concepts about entrepreneurship and the entrepreneur is important so that one is able to find out what entrepreneurship is and who are entrepreneurs; how these terminologies are differentiated; and the direct and indirect roles, played by entrepreneurs and entrepreneurship in the economic development of a region and a country.

It is also useful to learn and understand, how entrepreneurs and small business owners and managers are actually different to each other. This will bring an understanding that these terminologies are not interchangeable.

#### **3.1.1. Entrepreneurship**

Studies and research yield various definitions of entrepreneurship which depend upon the perspectives, or emphasis, that the particular scholar used (Audretsch, 2003). Some have defined it based on the measurement of entrepreneurship activities or outcome of the entrepreneurial processes. This can be seen in the study of Ahmad and Hoffman (2007) which explored the definition of entrepreneurship, entrepreneurs and entrepreneurial activity based on a framework for entrepreneurship indicators, consisting of a flow of the following categories: (1) determinants of entrepreneurship (such as: regulatory framework, technology, research and development, entrepreneurial capabilities, cultural aspects, access to financial resources and market conditions); (2) entrepreneurial performance (firms, employment and growth); and (3) the impacts of entrepreneurship (such as: job creation, economic growth and poverty reduction).

Looking back at the history and development of entrepreneurship as a subject, what has become the most used and recognizable definition of entrepreneurship was introduced by Schumpeter in 1934 (see, for example, the editorial of Entrepreneurship Today, 2006:141). According to Schumpeter (1934) “entrepreneurship is the carrying out of new combinations we call enterprise and the individuals whose function it is to carry them out we call entrepreneurs”. Entrepreneurship is the process whereby people bring innovations to customers.

This definition as suggested by Schumpeter (1934) emphasizes innovation as the entrepreneurial process. Numerous definitions of entrepreneurship and entrepreneurs have been based on this work, with some expansions and modifications of Schumpeter’s idea. It was further developed in more detail when scholars tried to add more detail and context, for example, Audretsch (1995 and 2003) defines entrepreneurship as follow.

*“Entrepreneurship can be meant as a **change**. Since entrepreneurs are the agent of change then entrepreneurship is related to the process of change (Audretsch, 1995, p.103-117). This corresponds with the further definition of entrepreneurship as activities to foster innovative change” (Audretsch, 2003).*

Carton, Hofer and Meeks (1998) defined entrepreneurship as:

*“...the means by which the organizations are formed with their resultant jobs and wealth creation”.*

Meanwhile, Stevenson and Jarillo (1990) define entrepreneurship as:

*“...the process by which the individuals are pursuing opportunities without taking into account resources they currently control.”*

Kukoc and Regan (2008) define entrepreneurship in more detail:

*“..as the process of identifying, developing and bringing forward new innovative ways of doing things for the exploitation of commercial opportunities”.*

In a broader perspective and sense, Hisrich et al. (2005) defines entrepreneurship:

*“ ..as the process of creating something new with value by devoting the necessary time and effort, assuming the accompanying financial, physics, and social risks and receiving the resulting awards of monetary and personal satisfaction and independence.”*

It can be concluded from these various definitions that, in principle, entrepreneurship should consider several important elements:

1. It is a process and there is an actor who should enact that process.
2. There is an organization in which the process takes place

The importance of the firm as the form of the organization in undertaking entrepreneurial process was explained by Coase (1937). He argues:

*“...the operation of a market costs something and by forming an organization and allowing some authority (an “entrepreneur”) to direct the resources, certain marketing costs are saved” (Coase, 1937:392).*

Related to the existence of an actor and the organization to enact entrepreneurship to direct the resources, Coase (1937) further mentioned:

*“A firm consists of the system of relationship which comes into existence when the direction of resources is dependent on an entrepreneur”. (Coase, 1937:393).*

3. There should be opportunities and resources for carrying out such processes.
4. There is an objective of the process

The four elements above cover the six common elements of entrepreneurship as mentioned by the German, Chicago and Austrian schools of thought on entrepreneurship (Godin et al. 2008), which consists of:

1. From the perspective of enterprise, entrepreneurship is the process of bringing new ideas into the market for the pursuit of profit.
2. From the perspectives of innovation, entrepreneurs innovate by being alert to profitable opportunities and they can combine the resources either in new or different ways in order to introduce their idea to the customer.
3. It is clear that entrepreneurship is a process of commercializing a business idea.
4. The entrepreneurial process brings an uncertain outcome.
5. Entrepreneurship can bring impacts to economic development and structural change in the community.
6. The source of entrepreneurship can range from radical to incremental innovation.

Such an approach encompasses both Schumpeter (1934) and Kirzner (1973).

### **3.1.2. Entrepreneurship and the Creation of Small and Medium Scale Enterprises (SMEs)**

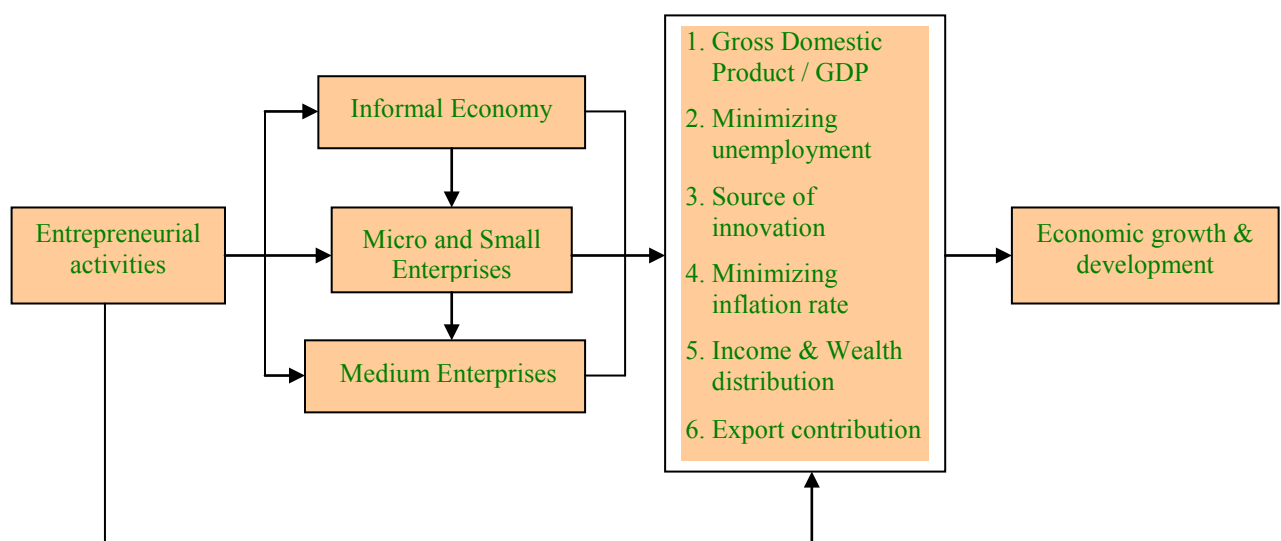
The existence of entrepreneurial activities mostly leads to the creation of an informal sector, micro enterprises and small and medium scale enterprise / SMEs in which the impacts can be seen in the macroeconomic performance of a country / region. Acs and Yeung (1999) show how SMEs make a positive contribution to the Gross Domestic Product (GDP) of a country by opening and widening employment opportunities and reducing the inflation rate (see also the studies of: Lafuente et al., 2007, Naudé, 2007

and Thurik, 2008). Other contributions are in terms of exports, poverty alleviation through income and wealth distribution as well as being a source of innovation, as Urata (2000) suggested for the Indonesian government.

In the cases of industrialized countries, SMEs are in an important position to restructure the business of the companies and to help business decentralization through outsourcing, subcontracting and networking. Schramm (2004) and Baumol (2007) demonstrate this impact upon competitiveness of the country / region through innovation. Competitiveness, which is created through the existence of SMEs, has brought positive results into export performance, economic growth and development in many industrialized countries (Schramm, 2004 and Baumol, 2007).

The relationship between entrepreneurial activities and SMEs to the economic growth and development of a country and region can be illustrated as follows.

Figure 3.1  
Entrepreneurial Activities, Informal Economy, Small-Medium Scale Enterprises and Their Roles to Economic Growth and Development





In Figure 3.1, entrepreneurial activities either directly or indirectly (through the existence of the informal economy and small and medium scale enterprises / SMEs), will impact upon GDP, the employment rate, innovation, the inflation rate, income & wealth distribution as well as export performance. Entrepreneurial activities that were performed at each stage can be transformed into higher forms through system ‘up-grade’. This will allow the informal economy to be up-graded into micro and small enterprises. Meanwhile, small enterprises can further be up-graded into medium enterprises. This ‘up-grading’ ‘ can be done in various ways, depending on each country and region. Mostly, this is done based on the achievement of business performance (assets, turnover, number of employees and legal status). Government interventions through support policies and institutions can also accelerate the up-grading of business performance of each business.

The performance of entrepreneurial activities at each business stage whether in informal small businesses, micro, small or medium scale formal small businesses, will result in economic growth and development of a country. Depending on the economic stage of each country, this can be used to *structurally transform an economy* in developing countries (Naude, 2007; Thurik, 2008) and to *obtain new sources of productivity growth and competitiveness* in the more developed countries (Schramm 2004; Baumol, 2007).

### **3.1.3. Entrepreneurs**

The word ‘entrepreneur’ derives from the French word *entréprendre*, which means *to undertake*. This word was then used in the business and economic context by the French economist Cantillon in his book, *Essai sur la Nature du Commerce en Général* in 1755,

to describe a person who was enacting business and economic activities. Cantillon considered that (van Praag, 1999: 313-314):

*The entrepreneur is a risk taker, and this can be seen by merchant, farmer, craftsman and other sole proprietor.*

The well-known definition of the entrepreneur which is a relatively more academic definition (but still simple to understand) was first introduced by Schumpeter in 1934. According to him:

*The entrepreneur is a recognized person who introduces innovation and changes.*

It is clear from his argument that Schumpeter (1934) viewed an entrepreneur to be the same as an innovator. His argument is then always used by scholars in the entrepreneurship subject in defining entrepreneurs and describing innovation activities by entrepreneurs. For a long time, Schumpeter's opinion about entrepreneurs and innovation activities has been a major foundation for further studies, discussions and research in entrepreneurship.

From the broader array of definitions of entrepreneurship, three major perspectives can be identified in defining entrepreneurs: *innovation, economics and management*.

From the perspective of *innovation*, Drucker in his well-known book *Innovation and Entrepreneurship* (1986) defines entrepreneurs as:

*".. individuals, who always search for changes, respond to it and exploit it as an opportunity". (p.25)*

From the perspective of *economics*, Hébert and Link, (1989:41) viewed the entrepreneur as:

*“... an individual who specializes in taking responsibility for and making judgmental decisions that affect the location, form and the use of goods, resources or institutions”.*

In contrast with the economic perspective of the entrepreneur, Stevenson and Sahlman (1991) viewed the entrepreneur from the perspective of *management*. They argued that the entrepreneur is different to a manager. They considered that:

*“(the) Entrepreneur is an individual who identifies opportunities, assembled required resources, implement a practical action plan and harvest the reward in a timely, flexible way”.*

In a macroeconomic context, the Organization for Economic Co-operation and Development (OECD) (1998:11) defines the entrepreneur as follows.

*“Entrepreneurs are agents of change and growth in market economy and they can act to accelerate the generation, dissemination and application of innovative ideas. They do not only seek out and identify potentially profitable economic opportunities but are also willing to take risks to see if their hunches are right”.*

Following the above mentioned definitions of an entrepreneur, one can conclude that most of the six common elements of entrepreneurship and entrepreneurs, which have been previously described in section 3.1.1, are supported, namely, opportunities, resource gathering and organisation, agent of change and the reward from the entrepreneurial process.

#### **3.1.4. Entrepreneurs and Small Business Owner / Managers**

Some scholars take a particular position about entrepreneurs and small business owner / managers by arguing that both of the terminologies are mutually exclusive. On the contrary, others have argued that entrepreneurs and small business owner / managers are the same.

This classic, and seminal, debate was started by Gartner (1988:63) who argues that entrepreneurs are those who create and process the new organization / venture, and they are different compared to those who carry out the managerial work. Gibb (1996) also mentioned that the term entrepreneur is often blurred with the concepts of small business owner-management and the concept of self-employment. As Kirby (2002) noted, “not all owner-managers are entrepreneurs, nor are all small businesses entrepreneurial and not all large businesses are un-enterprising”. Similarly and in detail, Beaver and Jennings (2005) distinguish entrepreneurs and small business owners-managers. They mentioned that “a small business owner is an individual who establishes and manages a business for the principal purpose of furthering personal goals, in which the business must be the primary source of income and consumes the majority of their time and resources”. On the other hand, “an entrepreneur is an individual who establishes and manages a business for the principal purpose of profit and growth and is characterised by innovative behaviour and will employ strategic management practices in the business”.

Unfortunately, although we have shown above, there are core common elements to be found in the defining of the entrepreneur, there still remains no single and universally agreed generic definition of what constitutes an entrepreneur (Brockhaus and Howitz,

1986). This is why debates about whether entrepreneurs are the same as small business owners / managers are still taking place.

To get an insights into how entrepreneurs are different compared to small business owner / managers, we can review opinion from scholars, who paid particular attention to trying to resolve this debate, two such being Drucker (1986) and Wagener et al. (2008).

Drucker (1986) said that entrepreneurs and small business owner / managers may have much in common but there are also significant differences between them. These differences are based on the following aspects:

1. Amount of wealth creation

Drucker argued that small business owners' / managers are generating income to simply replace traditional employment. Meanwhile, entrepreneurs are creating substantial wealth.

2. Speed of wealth creation

Speed of wealth creation by small business owner / managers can be achieved over a lifetime; meanwhile entrepreneurs can create their wealth rapidly, normally within five years.

3. Risk

Entrepreneurs are comfortable with high entrepreneurial risks that enable them to earn more profit. However, small business owner / managers normally think that they need to keep their business for a longer period and so tend to avoid high risks.

#### 4 Innovation

Most entrepreneurs are trying to achieve substantial innovation in the form of product and process innovation beyond that what small businesses might exhibit.

Other scholars, such as Wagener et al. (2008) contend that not every successful business owner can be characterized by such typical entrepreneurial characteristics. They tested several personality entrepreneurial characteristics, namely: the level of independence, ambiguity tolerance, risk taking propensity, creativity, leadership qualities, market orientation and self-efficacy that can distinguish entrepreneurs and small business owner / managers. They found that entrepreneurs:

1. Have a higher level of independence than small business owners / managers.
2. Have a higher ambiguity tolerance than small business owners / managers.
3. Have a higher risk taking propensity than small business owners / managers.
4. Are more creative rather than small business owners / managers.
5. Achieved a higher score on a scale measuring leadership competencies than small business owner / managers. This shows that the leadership qualities of entrepreneurs are better than small business owner / managers.
6. Have a lower orientation on the market than small business owner / managers.
7. Have a poorer self-efficacy than small business owner / managers.

The two research results and overviews have clearly shown that in principle entrepreneurs are different to small business owners / managers - with this difference lying mainly in the different personality characteristics between these two.

## **3.2. Entrepreneurial Traits and Personality**

### **Introduction**

Business start-up success factors can be influenced by several factors of entrepreneurial traits and personality: (1) internal and external environment factors, (2) psychological factors and, (3) sociological factors, where each factor has its own further explanation, parameters and variables. Entrepreneurial traits and personality as the success factors for new venture creation will be discussed.

#### **3.2.1. Internal and external environment factors**

Studies undertaken by Dyer (1994), Dobbins and Pettman (1997), Watson et al. (1998) and Pena (2002) are representative of this viewpoint and suggestions. The most important idea is that the success of business start-ups is influenced mainly by entrepreneurs' personal internal and external environments.

Dyer (1994) argued that one aspect of a business start-up success factors comes from the *ability and capability of the entrepreneur to face the risks* in operating their business. A new business is very fragile and should face more difficult barriers and risks in its daily operation rather than an established one. A 'survived' new business is believed to be the result of the ability and capability of the founder or entrepreneur to face every risk, challenge and barrier in their business.

In another study, Dobbins and Pettman (1997) argued that the *creativity, ability to negotiate and leadership* are the internal factors of the entrepreneur, which also can influence business start-up success. Entrepreneurs who will succeed in starting their business and survive in long term should have the ability to make new things through

innovation; they should be able to negotiate with people and their environment. At the same time, they are required to lead and manage their business properly. These factors cannot be created, trained or educated but they exist in the nature of entrepreneurs.

Watson et al. (1998) stated that business start up success can be determined through *the characteristics of the business founders and the distinction of business that will be operated*. This is categorized as the internal environment. The external environment consists of the *availability of facilities and the customers*.

The characteristics of business founders mean that their personality, nature, mind-set and character can determine the success of the new venture creation. The distinctiveness of a business can be considered as the nature of that business and where it will be operated. This includes competition, barriers to entry into and exit of the business, business trends and industrial prospects.

Pena (2002) has an argument that business start-up success can be influenced by the *intellectual capital* of the business founder. Intellectual capital is viewed as an intangible asset in starting the business. It is very important in management processes because it is considered as one of the critical resources for a sustainable competitive advantage for firms (Sánchez et al. 2000)

Intellectual capital simply can be meant as the educational or academic qualification / backgrounds of the founders. Pena (2002) stated that a business start-up will survive if the founders run their business in the fields, in which they have their academic or intellectual background and in which they have competency. For example, one who graduated from mechanical engineering will be more guaranteed to survive and succeed in business if they were to enter, for example, the machinery business. The possibility to



survive would be less if they were to enter, for example, management consultancy or trading of agricultural products.

### 3.2.2. Psychological factors

The representatives of psychological analysis believe that entrepreneurs, who are successful in starting their own businesses, are those who are *born as an entrepreneur, not one who had been trained or educated to become an entrepreneur* (Shane, 2010, for example, says that genes impact on the ability and success of an entrepreneur). This means that the successful entrepreneurs are naturally born, are gifted to become an entrepreneur and have their own destiny to become an entrepreneur. The possibility of survival of an entrepreneur who has only completed entrepreneurial training or education is less, and limited, because they do not have *talent, sense and instinct* to become an entrepreneur. Talent, sense and instinct cannot be taught. They arise together with people on the day they were born, it can be that one who had been trained or educated, will not have a suitable sense and the instinct to operate their business in order to survive in the world of business, particularly where there is harsh competition.

Rotter (1966), one of the social learning theorists, viewed that *locus of control* also plays a part in the intention and motivation for one who wants to become an entrepreneur. Locus of control can be defined as a person's belief that they can manage something good or bad in their life based on their own behaviour and attitude.

A scholar who also supports analysis of the psychological factor is McClelland (1987) and his theory that successful business start-up can be achieved if the entrepreneur has a *need for an achievement (N-Ach)*. This means that a business will be a success if the

entrepreneur behind the business has a strong and deep interest to achieve something in their life, typically such as social status, wealth and cultivating influential social networks and respect.

Dyer (1994) argues that *childhood experiences* can also determine success of new ventures. This means that one, who has enough experience from a young age and has gained experience in their close relationship within an entrepreneurs' social network, will become a successful entrepreneur. The opportunity for social learning within children's social networks has made this possible.

Grant (1996) considered that one element of business start-up success factors lies on the *proactive attitude* of the business founder to the changes of their environment and business climate. A proactive attitude means that the business founder or entrepreneur has an extra ability to respond to every situation and conditional environmental change that will affect their business. It is assumed that the successful new venture founder has a '*sixth sense / sixth instinct*' to response to these changes. Grant (1996) argues that a proactive attitude is related to the ability and capability to estimate and look further into the future from the present situation.

### **3.2.3. Sociological factors**

Scholars and researchers who believe that sociological factors are playing an important role in determining business start-up success are Gibb & Ritchie (1985), Boyd & Vozikis (1994), Henderson & Robertson (1999) and Bridge et al. (2003).

The availability and existence of *social learning such as family influence, role model, cultural background and ethnical influence* are the bigger factors influencing the success

of the business start-up. These form the core of thought of Gibb & Ritchie (1985), Boyd & Vozikis (1994), Henderson & Robertson (1999) and Bridge et al. (2003). The argument rests on the premise that even for someone who follows their own destiny to become an entrepreneur (as mentioned by psychoanalysts), *social learning niveau* also plays a large part in determining the success of the new ventures. Nobody will succeed in the future without being aware of social learning. Everybody and every business needs their own role models, and must be influenced by the condition of the social environment where they operate the business. Everybody, to a greater or lesser extent, will also be influenced by the existence of their family. These factors will affect business operations and sustainability.

Robertson (2003) added that sociological factors that affect business start-up success are *gender, ethnicity and educational level*. Gender is involved as one of the critical points in determining success or failure of the business start-up because it can influence entrepreneurial behaviour, attitude and decisions. This is consistent with Pena (2002), who argues that intellectual capital, which is based on the educational level and areas of specialization as one of the sources of new venture's success factors, Robertson (2003) more or less, had the same opinion. He said that the educational level is also one of the determining factors in the success or failure of the business start-up. The more someone has a sufficient educational background to start business, the greater the possibility for them to survive in the business.

### **3.3. The Theory of Role Models**

#### **Introduction**

The theory of the role model forms a central part of this literature review as it largely underpins the analysis and is used as the main theoretical background of the research. In recent years, research and studies regarding the role model have mainly been related to the fields of psychology and organizational studies. It was clearly found by psychologists and organizational scholars that a role model is important for an individual's growth and development. The role model serves as a source of learning, motivation; self definition and career guidance (see Erikson, 1985; Krumboltz, 1996; Lockwood and Kunda, 1999; and Gibson, 2004). The role model holds a key position through which someone can learn, motivate and define themselves.

The existence of the role model related to entrepreneurship specifically, has been addressed as an important sociological factor (see for example: Gibb & Ritchie. 1985; Boyd & Vozikis 1994; Henderson & Robertson 1999; Bridge et. al., 2003; and Robertson, 2003). Here an appropriate role model is able to exert a social influence that will affect new venture creation and the business start up.

This sub-chapter is divided into four sections: (a) the definition of the role model; (b) the characteristics of the role model that distinguish it from a similar notion of the mentor model and the behavioural model; (c) the dimensional approach of role model, and lastly; (d) an overview of the parental and gender role model as one of the main issues in examining the status and construct of a role model. This dissertation draws heavily on the role model theory of Gibson (2004).

### 3.3.1. The Definition of Role Models

Role model theory originates from Bandura's Social Learning Theory in 1977. This theory can be used to explain how the role model(s) can influence other individuals to act, imitate and follow, to think and to adopt personal characteristics, behaviours, styles and attributes. Bandura (1977) found that individuals tend to adopt and learn within their social network by observing the behaviour of others and what outcomes arise out of such behaviours. If the person who is observed gets positive results and outcomes from their behaviour and attitude, then they are perceived as successful individuals within the social network and so will tend to be used as a pattern for setting others' behaviours and attitudes. One process for ascertaining appropriate behaviour and attitudes is the creation of role models. Role models tend to be found in various places, but will be found either in the environment near to, or further away, from the social network of that individual who is seeking a role model.

According to Gibson and Cordova (1999), the early role models for individuals are normally their parents; and then later it is usually someone who comes from a '*wider arena*'. Inevitably, this sometimes means someone who is not initially known by the individuals.

These circumstances are understandable when considering the individual as a child is likely to live in a family and that will be their first social network before they know other people and explore the environment outside their family. Once the children know other people and the environment outside their family, they will then find people from multiple and different backgrounds and professions. It is a great opportunity for the children to be involved with others, opening contacts, getting close and establishing

continuous relationship. This will cause the decreasing influence of parents and the increasing influence of these other individuals. Such a condition will create role models other than parents. Normally these new contacts will be non-relatives or sometimes people who are not known personally at all, for example an artist, a musician, a businessman, a comedian, an athlete, or a politician. Children know these people mostly from the media (for example TV, newspaper, magazine, and books). Continuous exposure in the media about the performance and achievement of these people has widened the possibility for the children to treat and appoint them as the role model. Though not the concern of this dissertation but in developed countries, one would want to address the role of social media in exposing and widening the opportunity for role model adoption.

There is also a situation where parents as the role model for the children cannot be replaced by other individuals. This would happen if the family system and relationship ties within the family have bonded members of the family closely and created a dependency over the longer period. Longer and closer interaction, as well as the possibility to share (perhaps very personal) problems would make the position of parents less easily replaceable. Children view their parents as their role models over a long period.

In a case where children find that their role models are coming from outside their family members, specifically parents, they tend to find someone who is a reputable person or has been successful in their career and gained wealth and has a good position or a status within the community. Gibson and Cordova (1999) found that this person normally comes from the corporate, entrepreneur or professional worlds where future careers will be sought. Success in career and the reasons for wealth have convinced others to choose

the same career with their patterns and treat them as role models. Because of this, role models are in a good position to influence others' behaviour and attitude.

Based on Bandura's social learning theory, (1977) several studies regarding role models as one of the specific actors in this theory have been undertaken. Shapiro, Heseltine and Rowe (1978) carried out a study about role models, and they suggested the following simple definition of a role model:

*“an individual whose behaviours, styles and attributes are emulated by other individuals”* (Shapiro, Heseltine and Rowe, 1978:19-47)

With regard to their proximity to individuals, role models can be near or further away from their users. In hierarchy and status, they can be relatives or non-relatives of the users. Individuals know role models in various ways such as their activities, stories, bibliographies, track records, performance and achievement. Media exposure is a perfect way to transform information about the role model to individuals.

On the other hand, role models cannot prevent users from using them as patterns in users' behaviour, styles and attributes. It can be seen here that the role model has a passive position in the framework of individuals and role model, while individuals are more pro-active in finding, examining and determining their role model.

Another definition of the role model can be cited from Kemper's (1968) opinion. He viewed the role model as:

*“A person who possesses skills and displays techniques which the actor lacks and from whom, by observation and comparison with his own performance the actor can learn”.* (Kemper, 1968:33)

Kemper's view clearly demonstrates that the role model should have skills and transfer these skills to others who have a lack of skills. The learning process is undertaken through observation and performance comparison.

Gibson (2004) gave a relatively complete overview about the concept of role model. In his study, Gibson suggested several important issues that should be considered when we discuss the role model. This comprises; the definition of role model; the different characteristics between three personal development targets (behavioural model, mentor model and role model); the dimensional approach of role models and new research directions in role models.

The definition of the role model as suggested by Gibson (2004) is the following.

*The role model is "a cognitive construction based on the attributes of people in social roles an individual perceives to be similar to him or herself to some extent and desires to increase perceived similarity by emulating those attributes".*

Defining the role model as Gibson (2004) has assisted people in understanding how to distinguish the current usage of role models in personal development from two other personal development constructs, named *behavioural model* and *mentor model*. The main difference between role models and the other two constructs lies in terms of underlying processes that define them.

A *Mentor* as described by Gibson (2004) is defined as:

*"a person who provides active advice and support to a protégé through an interactive relationship" (p.134-156).*



Meanwhile, *the behavioural model*

*“is focusing on matching specific actions and attitudes between an individual and a model”.*

Differentiating the definitions of the role model, the behavioural model and the mentor model will then assist us in clarifying further steps in the role model research; for example to determine the *dimensional approach* to understand role models.

### **3.3.2. Characteristics Differentiating Three Development Targets**

As a result of his opinion about the role model, Gibson (2004) viewed that the concept of role model should be differentiated from other similar personal development constructs, named the behavioural model and the mentoring model. He argued that there are six characteristics of differentiation. These are:

1. How to define the process
2. The frequency of interrelationship between parties
3. Attributes that are sought by individuals in the role models
4. Length of interaction
5. Flexibility to select the targets
6. Awareness of the individuals to their targets.

The following table summarises how Gibson (2004) explains details how these characteristics differentiate the three personal development targets. As mentioned before and to provide a depth of focus to this dissertation, we only consider role models.

Table 3.1  
Characteristics Differentiating Three Development Targets (Gibson, 2004)

No	Summary	Behavioural model	Mentor	Role Model
1	Defining processes	<b>Observation &amp; learning</b> Based on the capabilities of the target and desire to learn by the individual	<b>Interaction and involvement</b> Based on active interest in and action to advance individual's career	<b>Identification and social comparison</b> <i>Based on perceived similarity and desire to increase similarity by the individual</i>
2	Potential number	Multiple, depending on availability	Typically one or two primary	<i>Multiple, individual seeks requisite variety</i>
3	Attributes sought in the target by the individual	<b>Task skills:</b> demonstrated high organizational performance	<b>Career functions:</b> psychosocial functions	<b>Role expectations:</b> self-concept definition
4	Length of interaction between parties	Short term	Typically long term	<i>Variable</i>
5	Flexibility in selection	<b>Little</b>	<b>Moderately high:</b> substantially shaped by context	<b>High:</b> <i>somewhat shaped by context</i>
6	Awareness	Usually explicit awareness by both parties	Usually explicitly awareness by both parties	<i>Typically one-way on the part of the observing person</i>

Note: Whilst we have referred previously to 'mentor model', Gibson (2004) used the term 'mentor'.

It can be seen from the table above that the concept and characteristics of the role model are different from the other two constructs of individual development targets (the behavioural model and the mentor). The key differences are in defining the process; attributes sought by the targets; and flexibility to select.

In defining the process, the role model characteristic is based on the perceived similarity or intention to increase similarity between the targets and their role model, whereas the other two mainly need an action for development. In the concept of role model, the initiative of individuals is demanded, while the other two can be based on the tasks. The

role model is also very flexible and can be chosen freely by individuals which need not be the case with the mentor or behavioural model.

In the study of role model attributes, Gibson and Cordova (1999) considered that one can appoint the other as their role model because of several personal attributes, such as: expertise, leadership ability, success in organization and financial, ability to balance personal and professional life, interpersonal skills, personal traits and values. Other role model attributes can be the ability to give advice, leadership positions, performance rewards and tenure (Zagencyk et. al, 2005). These attributes can determine the degree of influence of the role models, such as degree of influence between male and female role models to other people (see the study of Murrell and Zagencyk, 2006) and degree of influence between parental role models with other social status (see the study of Mungai, and Velamuri, 2011).

### **3.3.3. The Dimensional Approach of the Role Model**

As part of his study about the role model and based on the differentiation of the three individual development targets, Gibson (2004) argued that there should be an explanation about the *dimension of role model* to bundle its characteristics. It is used to specify the characteristics of role models in which the research and at that time the existing studies did not pay this particular attention.

Gibson (2004) considered that the dimensional approach of the role model contains both cognitive and structural dimensions. Cognitive dimensions relate to the existence and perceived *attributes* of role models which are observed by individuals, whilst structural dimensions relate to the *existence of role models* in an individual's life (distance and

hierarchies). The combination of these will assist us to understand role models, their attributes as perceived by other individuals and their position for individuals.

Gibson (2004) explains his combination of these dimensions in the table reproduced below.

Table 3.2  
Dimensional Approach of Role Model (Gibson, 2004)

<b>Cognitive Dimensions</b>	
<p><i>Positive</i> Refers to a role model having attributes which are perceived by the individual as similar, are admired and sought out for possible emulation</p> <p><i>Global</i> Refers to variety of attributes in a role model which are attended to by the individual, including skills, traits and behaviours</p>	<p><i>Negative</i> Refers to a role model having attributes which are primarily observed by the individual as examples of how not to behave in a particular context</p> <p><i>Specific</i> Refers to a single or small set of attributes in a role model which are attended to by the individual</p>
<b>Structural Dimensions</b>	
<p><i>Close</i> Refers to a role model who is the same work group or department, and/or with whom the individual interacts with frequently</p>	<p><i>Distant</i> Refers to a role model who is outside the individual's workgroup or department, and with whom the individual interacts not too frequently or not at all</p>
<p><i>Up</i> Refers to a role model who is higher in hierarchical status than the individual</p>	<p><i>Across / down</i> Refers to a role model who, in relation to the individual, is a peer, a subordinate, or who is ambiguous in status (e.g. a client)</p>

In the cognitive dimensions, targets are free to behave or not to behave like their role model. This decision can be taken by the individuals after they observed the qualification / competency and the achievement of the other person, who is observed as the role model.

It can be seen in the structural dimension of the role model that their proximity or social linkage to other individuals can be either *close* or further away from an individual. Explaining these dimensions, the role model can be a person who is living in a close social linkage to the individual. This will let them establish an active formal or informal interaction. On the other hand, there is also a role model who does not live within the social linkage of the individual. As the consequence, both of them cannot actively establish a connection and interaction.

Concerning the social status which is related to the social hierarchy, the role model can have higher or lower status than the targets (vertical hierarchy). The role model can also come from a person who is in the same social status as the individual (horizontal hierarchy).

#### **3.3.4. Reason for Treating People as a Role Model**

As Gibson (2004) indicates, *charisma, reputation, media exposure and peer pressure* are the most likely reasons for individuals for treating other individual as their role model.

The concept of *charisma* can be found in several fields of study such as traits and behavioural, religion, historical, social, sociology and business. In business particularly, it is mostly found in the literatures related to the leadership subjects and institutional matters (Turner, 2003). The overview of charisma from each field will then reflect the definition, perspectives and dimensions of charisma itself.

According to Conger and Kanungo (1988), charisma comes from a Greek word which means a gift, which is presumed to be characterized by some mystical qualities of

leadership divinely bestowed upon rare persons. The main important point from this opinion is that charisma is divinely bestowed and it is not constructed from the performance of someone. Charisma leads the quality of performance and not vice versa. In the study of attribution theory of leadership, the concept of charismatic leadership means that a leader may face a certain situation and take actions based on their relevant behaviours that can cause followers to judge him or her as charismatic (Potosky, 2000). This opinion argues that if one wishes to be a charismatic leader, then he or she should perform relevant behaviours as a response to the situation. When achieving good results, these behaviours can be followed by others and they will treat him or her as charismatic. In the study of traits and behaviour, charisma looks at the qualities of someone, such as energetic, unconventional, has a bright vision and can be used as an example (see Bass, 1985; Conger, 1989; Conger and Kanungo, 1988 and Harvey, 2001). Other scholars, such as Weber (1978) argued that individual charisma focuses on the success of an individual. Therefore, the power of charismatic leaders can come from their abilities to confound and surpass expectations to be extraordinary (Turner, 2003).

This research will use the overview of charisma from the perspectives of leadership studies as the closest and most significant reflection of the research. Kanungo and Conger (1988) described charismatic leadership as having seven characteristics as follows:

- a. Self confidence
- b. A vision
- c. Articulation of the vision
- d. Strong convictions
- e. Unconventional behaviours

- f. Perceived as an agent of change
- g. Sensitivity to environmental change, constraints and resources.

Those above mentioned characteristics can be further developed through certain processes which mainly comprise three step processes / stages (Richardson and Thayer, 1993 and Potosky, 2000).

- a. A person needs to create an ‘aura’ of charisma by using passion and the whole body to communicate
- b. An individual needs to create a bond that inspires others.
- c. Charismatic individuals should address followers on an emotional level.

The concept of *reputation* in this research relates merely to individual reputation. Two Important considerations about individual reputation are dealing with the situation of incomplete information and that it is an asset for individuals. Reputation is a proxy measure that guides the view formed about others for whom we have incomplete information. We defer to their created and available ‘reputation’ and so this information become ‘*property*’ which guides other people. Reputation is therefore an asset for individuals (Wilson, 1985) and since it is an asset, people may take any legal action if their reputations are destroyed.

From a psychological point of view, reputation is viewed as a uniquely human phenomenon depending on the human capacity for language and the kinds of social process this allows (Emler, 1990). People normally observe the reputation of others and also try to build their reputations by exhibiting varying degrees of skills and achieving varying degrees of success. Furthermore, Emler (1990) argued that reputations are judgments about vices and virtues, strengths and weaknesses which are

based on accumulating evidence. The definition leads to five important principles of reputation, namely:

- a. Your reputation is gained and reflected within a (your) social network
- b. Personal reputation refers uniquely to named persons
- c. Personal reputation is a property of the particular persons
- d. It can be based on both vices and virtues
- e. It includes judgment of exemplifying virtues and vices made by others

In a business field context, reputation is determined not only by the aspects that impact on the perceived quality but also by the characteristics of the judgment processes (Castriota and Delmastro, 2008) which are the prior knowledge and information and the numbers of interaction between individuals that can lead to the creation of reputation. The characteristics of the judgment process can be divided into the following (Castriota and Delmastro, 2008): (a) age, (b) motivation, (c) relationship and network, (d) trust, (e) commitment, (f) satisfaction, and (g) control mutuality.

### **3.3.5. Parental and Gender Role Models**

Speizer (1981) argued that most of the studies related to role models were focused on young children and their parental model; however several also focused on college students and explored the effects of working parents on their children's career choice and aspirations. The reason is clear. Children normally treat their parents as a role model because they are used to living with their parents since they are young, socialized and maintaining contact over a long period. Therefore, parents tend to become role models for their children in choosing their future career (Barling, Dupre and Hepburn,



1998) and this can happen by influencing their aspirations and work values in their early adulthoods (Halaby, 2003).

Empirical studies of the parental entrepreneurial role model in several countries (in Britain, Taylor 2001 – in Denmark, Sorensen, 2007 – in the United States, Dunn and Holtz-Eakin, 2000 – in West Germany, Carroll and Mosakowski, 1987) have clearly shown that parental role models bring significant positive effects to children entrepreneurial motivations and intention to start-up their own business. Niitykangas and Tervo, (2005) who observed that entrepreneurs' children tend to both inherit family firms and are in general more willing to start up their own business, also support these findings.

Such clear demonstrations and findings about parental role models, cannot answer completely about the '*mechanisms*' concerning how this process takes place. Carroll and Mosakowski (1987) indicated that the '*exposure*' mechanism was the common process. Sorensen (2007) found that the '*closure*' mechanism takes place between a parental role model and their children. Though it is still debated which one most brings influence to the children, several studies have found that the exposure mechanism tends to influence children in motivation to start their own business rather than the closure mechanism. In the exposure mechanism, parents normally 'exposed' an entrepreneurial career as a legitimate alternative to conventional employment whilst in the closure mechanism, parents normally facilitate (financially and socially) their children to enter into an entrepreneurial career.

Mungai and Velamuri (2009) argued that even a negative parental scenario can act as a positive learning experience from the role model. For example, unsuccessful parents in

self-employment will not discourage their children from starting an entrepreneurial career. Indeed, they would draw out a positive lesson of how to avoid such a failure. Their study also found that the influence of parents depends on the offspring's ages when the parent was involved in entrepreneurial activities. The influence tended to be higher for children between the ages of 18 - 20.

Gender also determines the influence of the role model on others. Based on the specific attributes of role model as mentioned by Zagencyk (2005), Murell and Zagencyk (2006) found that females who are giving more advice and at the same time, getting less advice from others tend to be appointed as a role model. In contrast, males who can give and are ready to take advice tend to be considered as role models by others. Moreover, they also found that females, who received more organizational awards, tend to be appointed as a role model rather than those who received fewer awards. In relation to the position in an organizational hierarchy, they found that the holders of a formal leadership position tend to become a role model for others compared to those who do not have a formal leadership position. This happens to both males and females. In networking relationships, it was proven by Murell and Zagencyk (2006) that friendship ties are more important for the male role model rather than for the female role model. Summarizing the results of their study, Murell and Zagencyk (2006) argued that legitimacy and knowledge are important criteria for role model status for females, whilst for the male role model, relationship-networking within an informal network is the main issue.

### **3.4. The Theory of Entrepreneurial Motivation**

#### **Introduction**

Shane, et al. (2003), argued that most research on entrepreneurship focused only on macro level environmental forces as well as the characteristics of entrepreneurial opportunities as the main motivations for an individual to become an entrepreneur. However, the results of such research unfortunately did not incorporate the fact that *human motivation* should also be considered as one of the resources for entrepreneurial motivation. Given that the main actor in the entrepreneurial process is an individual, then consideration of human motivation in the entrepreneurial process should not be neglected. According to Shane et al. (2003) previous research has brought results and foci that can be conveniently categorized into either a quantitative or a qualitative point of views.

#### **3.4.1. Quantitative View of Entrepreneurial Motivation**

Several concepts of entrepreneurial motivations can be categorized as a quantitative point of view.

##### **1. Need for an Achievement (N-Ach)**

As McClelland (1961) argued, people are motivated to become an entrepreneur because they want, and need, to achieve a higher / greater degree of responsibility for obtaining outcomes, through using their own skills and efforts, accepting a moderate degree of risk whilst having clear and direct feedback on their performance.

2. Risk taking propensity (McClelland, 1961)

Following his N-Ach concept, McClelland also said that risk taking propensity is one motivation for people to become an entrepreneur. People choose an entrepreneurial career because they are able to face moderate risks that rise from their activities in business. They think they can handle these risks and they can prepare themselves to face the risks by doing and taking necessary steps and actions to anticipate such risks.

3. Tolerance for ambiguity (Schere, 1982, Budner, 1962)

As the nature of an entrepreneurial career is unpredictable, people are motivated to choose this career. People who enter into this career consider unpredicted outcomes as an attractive career prospect, rather than being threatening.

4. Locus of control (Rotter, 1966)

Locus of control is an individual's belief that their actions will affect the outcome. This can be divided into external and internal locus of control. As Rotter (1966) noted, "individuals who have an external locus of control believe that the outcome of any activity is out of their control". However someone who has an internal locus of control believes that their personal actions will directly affect the outcomes of an event. According to Rotter (1966), people who have an internal locus of control will always try to find entrepreneurial roles as they desire for a position in where their actions have a positive impact on the results.

5. Self-efficacy (Bandurra, 1977)

Self-efficacy is closely related to one's self confidence in doing one specific task. People are motivated to enter into an entrepreneurial career because they have a

high degree of self-confidence that they can undertake the entrepreneurial tasks and use negative feedback from their actions to improve their performance.

6. Goal setting (Baum, et. al., 2001)

Another motivation factor for people for choosing an entrepreneurial career is the existence of goals and how they can set themselves to achieve those goals. Goals will be closely related to performance and mostly, this will be quantitatively measured as financial performance, growth of the firm and the ability to innovate.

All these dimensions of the quantitative views of entrepreneurial motivation can be summarized in a simple statistical notation as follows.

$$EM = f (N\text{-Ach}, RT, TfA, LoC, SE, GS)$$

Where:

EM	= Entrepreneurial motivation
N-Ach	= Need for Achievement
RT	= Risk taking
TfA	= Tolerance for ambiguity
LoC	= Locus of control
SE	= Self efficacy
GS	= Goal setting

### 3.4.2. Qualitative View of Entrepreneurial Motivation

The qualitative point of view in research on entrepreneurial motivation is based on the study of Locke (2000) in which he found that entrepreneurial motivation is a function of *independence, drive and egoistic passion*.

*Independence* is closely related to individuals' responsibilities to every consequence that occurs as the result of their activities and decisions. This is one of motivational factors for the people choosing the entrepreneurial career. People with the higher sense of responsibilities tend to choose to be an entrepreneur because they can take responsibility for their own life and decisions rather than living off the efforts of others.

*Drive* means efforts that are taken by individuals to put their ideas into reality. Drive is closely related to the N-Ach motivation for entrepreneurs. We know that people with great ideas will have ambition to achieve and implement their ideas and they will make their best efforts to achieve the objectives of these ideas. Therefore, Shane et al. (2003) concluded that there are several aspects of drive, namely: (1) ambition, (2) goals, (3) energy and stamina; and (4) persistence, which can be seen in the individuals who choose an entrepreneurial career.

Shane, et al. (2003) furthermore argued that individuals who have *rational egoistic passion* normally love their work; love the process of building an organization and how to make this organization profitable. Entrepreneurs are motivated to conduct something based on their own interest and do everything necessary to achieve it.

To summarize the views of Locke (2000) and Shane et al. (2003), the qualitative point of views in entrepreneurial motivation can be summarized in simple statistical notation as follows.

$$EM = f(I, D, EP)$$

Where:

EM = Entrepreneurial motivation

I = Independence

D = Drive

EP = Egoistic passion

### 3.4.3. Entrepreneurial Motivation vs. Entrepreneurial Intention

Most studies identify reasons why people enter an entrepreneurial career. These studies mainly taken place in the field of entrepreneurial intentions in which the Ajzen's Theory of Planned Behavior (1977 and 1985) was mostly used as the foundation of the analysis. For example, van Gelderen et al. (2006), explained student entrepreneurial intention at one of New Zealand's universities by considering the theory of planned behaviour as its research foundation. Moreover, and although a rare approach, some studies and research about students' role models in entrepreneurship were also related to the existence of the role model and its influence on entrepreneurial intention. An example of this being the study of van Auken et al. (2006), who studied a comparison of the role model influence on entrepreneurial intention between students in two universities in the USA and students from a university in Mexico.

Motivation and intention are different approaches. This dissertation centres on a contribution to our understanding of entrepreneurial motivation. However, to put this into an appropriate context, we now discuss both motivation and intention.

Motivation *per se*, as defined by Cambridge Advance Learner's Dictionary is "*enthusiasm for doing something*". Shane et al. (2003) viewed this as "*willingness*". Whilst motivation is related to enthusiasm and/or willingness, intention is revealed as "*something that is wanted and planned to do*". It is clear that according to the dictionary, both these words are different in their meaning and consequently, they will also be different in meaning if they are attached to other words.

If we look back to the definition of entrepreneurial motivation, Shane et al. (2003) stated that entrepreneurial motivation is the willingness of people to become an entrepreneur. The willingness is abstract and it comes from '*inside*' of people, which

they called ‘human motivation’. This human motivation is viewed as important and should also be considered to determine the entrepreneurial motivation of people alongside the other determinants from the quantitative and qualitative point of views. As mentioned in the previous chapter, quantitative determinants consist of a need for achievement (N-Ach); risk taking (RT); tolerance for ambiguity (TfA); Locus of Control (LoC); self-efficacy (SE); and goal setting (GS), whilst the qualitative determinants are independence (I); drive (D); and egoistic passion (P).

Another argument regarding entrepreneurial motivation was made by Gilad and Levine (1986) who outlined two components of entrepreneurial motivation. They are the *push theory* and *pull theory*. The push theory states that people enter into entrepreneurship because of negative forces. This could be job dissatisfaction, difficult employment opportunities, unmet expectations about salary and inflexible working conditions.

The push theory is closely related to ‘*necessity based entrepreneurship*’ which argues that people tend to enter into entrepreneurship because they do not have any other work or life choices. The topic of necessity based entrepreneurship was first introduced in the Global Entrepreneurship Monitoring (GEM) 2001 Report (Reynolds et al., 2001). Necessity entrepreneurship, as discussed by Reynolds et al. (2001) is a form of entrepreneurship in which necessity (for example, lack of choice in work, poverty and survival) is the prime motivation to start the business. Since there are very limited employment opportunities and difficulties in achieving wealth through securing work, then people are forced to enter into self-employment (entrepreneurship) whether they like it or not.

Necessity based entrepreneurship is also closely related to the poverty which can be found in most under developed and poor countries. The macroeconomic income



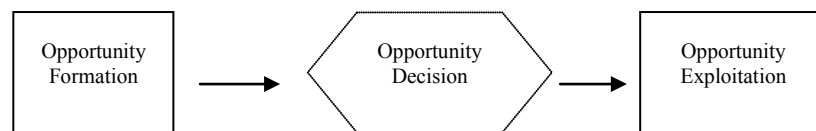
condition of a country has a significant correlation on the motivation for entrepreneurship. The greater the poverty, the more we can find necessity based entrepreneurship and the higher the rate of entrepreneurial activity (Reynolds et al., 2001).

In developing countries, the motives of the people entering into entrepreneurship tend to be '*more entrepreneurial*'. This can be found in the study of Frese and De Kruiff (2000) who argued that people in developing countries tend to enter into entrepreneurship because of their basic entrepreneurial goals such as independence / autonomy, moderate risk taking and opportunity. There are also other non economic motives for entrepreneurship in developing countries, which are related to values and social roles. In this matter, entrepreneurship is viewed as bringing a more social role for the people and creating the values of individuals and their groups (Tellegen, 1997). Reynolds et al. (2001) also recognize that in higher income country, the nature of opportunity based entrepreneurship will differ. This distinction between necessity based and opportunity based entrepreneurship is still a fundamental theme in the GEM Report (see for example, GEM Report, 2011).

On other hand, *the pull theory* argues that people entering into entrepreneurship because they need and want to achieve an 'outcome' from entrepreneurial activities that they have done. The outcomes can be in the form of wealth / financial achievement, independence, self-fulfillment, status and social position. The concept of pull theory is closely related to the concept of '*opportunity based entrepreneurship*' which argues that people tend to enter into entrepreneurship because of existing profitable entrepreneurial opportunities and entrepreneurs have the intention of creating and seizing opportunities (Timmons, 1999 and Shane and Venkataraman, 2000). The

presence of both enterprising individuals and lucrative opportunities have convinced people to exploit entrepreneurial opportunities (Shane and Eckhardt, 2003). In short, the heart of opportunity based entrepreneurship lies in the existence of opportunity, the decisions of enterprising people to enter into entrepreneurship and the fact that people exploited these opportunities. It is shown in Figure 3.2 below.

Figure 3.2  
Opportunity Based Approach in Entrepreneurship  
(Oyson and Whittaker, 2010)

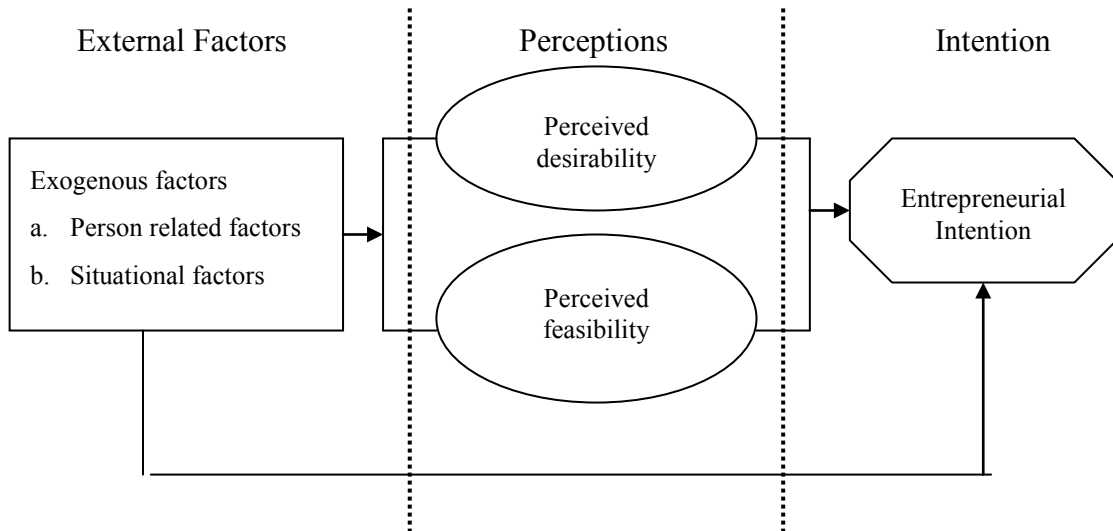


In the concept of entrepreneurial intentions (for which most studies and research use Ajzen's theory of planned behaviour), it is argued that intentions will lead to behaviours that further lead people to becoming an entrepreneur (Kolvereid, 1996, Fayolle and Gailly, 2004). The intention for carrying out the behaviour may be affected by several determinants; namely: (1) needs, (2) values, (3) wants, (4) habits and beliefs (Bird, 1988; Lee and Wong, 2004). Ajzen (1991) identified cognitive variables constructs which can influence intentions; (1) personal attitude towards behaviors, (2) perceived social norms and (3) perceived behavioral controls.

In the entrepreneurship context, the intention of people to become entrepreneurs comes from both the perceived desirability and perceived feasibility as well as exogeneous factors. Perceived desirability means the personal attractiveness of starting a business and becoming an entrepreneur whilst perceived feasibility is a perceptual measure of personal capability with regard to new venture creation, (Shapero and Sokol, 1982).

From Krueger (2000) and Paasio and Pukkinen (2005), this intention can be illustrated in Figure 3.3:

Figure 3.3.  
The Process Model of Entrepreneurial Intention  
(Krueger, 2000 and Paasio and Pukkinen, 2005)



A comparison of the theory of entrepreneurial motivation to entrepreneurial intention highlights several differences. The main difference lies in the '*factor resources*'. Entrepreneurial motivation clearly comes from human motivation (Shane et al., 2003), and it is considered as a *human internal factor*. In comparison, the entrepreneurial intention comes from *external factors* (personal related and situational related), such as educational background and working history.

In the context of entrepreneurship research, Hytti, Paasio and Pukkinen (2005) used the 'probability of the students to start their own business within five years' as the main parameter to measure students' entrepreneurial intention in Finnish universities. Meanwhile, Shane et al. (2003) argued that human motivation should also be considered to determine entrepreneurial motivation. Using Shane et al.'s framework, this research

and dissertation considered the influence of role models as the particular emphasis that can influence the human motivation of students to become an entrepreneur.

### **3.5. The Theory of Social Influence**

Kelman (1961) pointed out that “there are three processes of social influence within a community: compliance, identification and internalization”. *Compliance* occurs when an individual accepts influence from another person or group and they hope to achieve a favourable reaction from the other. *Identification* occurs when an individual adopts behaviour from another person or a group because this behaviour is associated with a satisfying self-defining relationship to this person. *Internalization* occurs when an individual accepts influence because the induced behaviour is congruent with their value system. It is clear from the definition of each process of social influence that it needs another person or group from whom one can adopt behaviour and get favourable reaction which is congruent with their value system.

The theory of social influence can be used as a basis to explain how an entrepreneurial role model can change the attitude and opinions of students towards an entrepreneurial career. Role models can act and be positioned as the change-agent of attitude and opinion of the students towards an entrepreneurial career. Students can adapt their behaviour and sometimes get a favourable reaction to act and decide their future career. It will be clearer if they choose to enter into an entrepreneurial career because it will be congruent with their value toward the entrepreneurial career objective.

In line with the theory of social influence, Jones and Davis (1965) argued that the ways of influencing will depend on the following:

- a. The importance which the subject attaches to opinion change as a means of attaining one's goal
- b. The readiness or un-readiness to accept the particular opinion
- c. The power of the influencing agent

Considering Jones and Davis (1965) above and relating it to an entrepreneurial career for students, it could be that the role model can take a bigger part in students' future career choice as an entrepreneur. They have the power to do it, whether they realize it or not, and they are doing something important related to the students' future life, which should be congruent with the value system for most of the people. This condition will improve the respect of the people and will put the role models in the strategic position to give influence and inspiration to other people.

The process of social influence can be enacted through the social interactions between individuals in the community and the social network. As Jaafar et al. (2009) argued that the ties of social network may be based on conversation, affection, friendship, kinship, authority, economic exchange, information exchange or anything else that forms the basis of a relationship and interactions. Similar to this, Kadushin (2004) also argued that flows between objects and actors and exchange which might contain advice, information, friendship, career or emotional supports, motivation and cooperation can lead to very important ties between individuals in a social network. Bringing those arguments into the entrepreneurship context, Davidsson and Honig (2003) in Klyver and Schoett (2011) have argued previously that the social network will affect the vocational decision for one to become an entrepreneur. Linking the effect of the social network to the process of entrepreneurial intention, Krueger (2000) and Paasio and Pukkinen (2005)

argued that a bonding social network will impact on the development of entrepreneurial intentions indirectly through perceived desirability and perceived feasibility. Linan and Santos (2007) support such a view as well. More contemporary literature continues to develop this theme, concerning the impacts of social network in entrepreneurship, and Klyver and Schoett (2011) argued that individuals who are embedded in entrepreneurial networks containing entrepreneurs are more likely to develop entrepreneurial intentions.

### **3.6. The Cultural Context of Entrepreneurship**

The existence of the cultural context regarding entrepreneurship has been explored for many years by scholars. The result that still little is known about the complex role of culture in the rise and fall of business ownership (Verheul et al., 2001). We cannot generalize the culture of each social system and network which can affect entrepreneurship and therefore, the study of cultural context on entrepreneurship became more complex and cannot be summarized simply. However, it is argued that culture is important in any discussion of entrepreneurship because it can determine the attitudes of individuals towards the initiation of entrepreneurship (Vernon-Wortzel and Wortzel, 1997). It is also agreed that entrepreneurial spirit needs appropriate social and cultural background to initiate motives for new venture creation (Watson, Hogarth-Scott and Wilson, 1998; Morisson, 1999). Carter and Jones-Evans (2000) adding further strength to the debate:

*“The culture of societies and characteristics of people living in the societies, impacted by certain innate personality traits, will influence the degree to which entrepreneurship is initiated.” (p. 102).*

The Global Entrepreneurship Monitor (GEM) Global Report 2011 and Kelley et al. (2012) also pay attention to the cultural context of entrepreneurship. One focus of the GEM Global Report 2011 shows nine entrepreneurship framework conditions (EFC) as the determinants of entrepreneurship which is divided into three considerations; (a) basic requirements, (b) efficiency enhancers, and (c) innovation and entrepreneurship. It further states;

*“The institutional environment is critical to the study of entrepreneurship, because it creates conditions that entrepreneurs must navigate and that policy makers can address.” (GEM Global Report 2011: 4).*

This GEM Global Report emphasises this institutional environment as a figure named ‘The institutional Context and its Relationship to Entrepreneurship’ (see GEM Global Report 2011:4), in which the cultural context and social norms are considered as a part of an institutional framework that relates to entrepreneurship.

However, cultural background with its complex phenomenon remains difficult to analyse in relation to entrepreneurship and entrepreneurial motives. Because of its complexity, the study of culture itself needs to use a ‘systems approach’, as suggested by Hofstede (1980). As he pointed out, culture is the interactive aggregate of common characteristics that influence a human’s group response to its environment. There are four dimensions of each national culture of each country. These four dimensions are:

- a. Power distance, i.e. the extent of power inequality among members of an organizational society;
- b. Uncertainty avoidance, i.e. the extent to which members of an organizational society feel threatened by, and try to, avoid future uncertainty and ambiguous situations;

- c. Individualism and collectivism, which describes relationship between the individual and the collectivism that is reflected in the way people live together;
- d. Masculinity and femininity, i.e. the extent of roles of division between sexes to which people in a society put different emphasis on work goals and assertiveness as opposed to personal goals and nurturance.

Those above mentioned dimensions represent the basic elements of the common structure in the cultural systems of countries.

In the entrepreneurship literature, attention is given to the continuum of individualism and collectivism as a major role in identifying a culture's propensity to entrepreneurship (Samit, 2005). As mentioned by Hofstede (1980), the individualist cultures foster the development of self-concept, a sense of responsibility, and competition that may lead to new ideas and innovations. On the other hand, collectivist environments may actually be anti-entrepreneurial, Samit (2005), cited in Morris et al. (1994), argued that collectivist environments may actually be anti-entrepreneurial by causing acceptance of norms and compromise and resistance to change. Therefore it can be said that this environment is not favourable to foster an entrepreneurial culture and in most of the cases, hinders the entrepreneurship processes. This can explain why *individualists* living in a collectivist culture leave such a culture to be entrepreneurs. This is also why people in an individualist culture are more entrepreneurial, rather than people living in a collectivist culture.

Samit (2005) also argued that the power distance as a dimension of culture also plays a part in determining favourable or detrimental conditions for entrepreneurship. He argued that high power distance cultures such as in the Middle East can be detrimental



to entrepreneurship. Meanwhile, the lower power distance culture provides favourable conditions for entrepreneurship and entrepreneurial leadership such as that which happen in Anglo, Nordic and Germanic cultures (Hofstede, 1980 and Gupta et al., 2004).

An approach to understanding the cultural context of entrepreneurship can also be analysed by using the framework of institutional analysis from Williamson (2000) and supply and demand side approaches as the determinant of entrepreneurship (Verheul et al., 2001). In the framework for institutional analysis, Williamson (2000) proposed four levels of institutional analysis to position the culture in the institutional setting. Those four levels are as follow.

1. Level 1: informal institutions (norms, customs, traditions and religion). This level is identified as the culture
2. Level 2: formal legal rules and regulations (constitutions, law, property rights etc.)
3. Level 3: governance structure with transactions (contracts, firms and networks)
4. Level 4: marginal analysis of prices and resource allocation

Based on the study of Verheul et al. (2001), the cultural aspect is categorized as one of the determinants of entrepreneurship. They identified that the determinants of entrepreneurship can be analysed based on a level approach that encompasses micro, meso and macro level approaches, as well as demand and supply approaches. The objects of the study in the level approach are the entrepreneur as an individual or business, sectors of industry and the national economy. The cultural aspect in entrepreneurship is categorized as one of the aspects in the micro level approach. This focuses its analysis on the decision making process of individuals and the motives of

people to become self-employed as entrepreneurs. It is considered as an aspect which can influence the decision making process and the motives of people to become an entrepreneur.

### **3.6.1. The Cultural Context of the Research and Its Relationship to Entrepreneurship**

As Hofstede (1980 and 2012), found the culture of Indonesian people in general is dominated by the culture of collectivist, higher power distance, lower uncertainty avoidance and tend to be more feminine. Similarly, Mangundjaya (2010) also found that the people of Indonesia are regarded as having group values; placing high importance on seniority; preferring stable conditions and situations; having a clear cut between gender roles that nevertheless do sometimes overlap; and tend to have a short term orientation. Collectivist society has the state of mind that group values and goals are of more primary importance, whether to their extended family or the wider ethnic group. In such a higher power distance society, leaders and followers rarely interact as equals. Uncertainty avoidance deals with a society's tolerance for uncertainty and ambiguity, while in the feminine society, emotional gender roles overlap; both men and women are supposed to be modest, tender and concerned with the quality of life.

As Indonesian people consist of many tribes, of which the Minangkabau people are but one of them, the cultural dimension of each tribe is a different one compared to the other and sometimes, is also different to the cultural dimension of Indonesian people in general. Mangundjaya (2010) describes the culture of Minangkabau people as being characterized by its Matriarchate culture, which means that women are the ones that play an important role in the family. Men are usually living out of their hometown to earn a better living (doing *Merantau*) and usually act as an entrepreneur. The people

never forget their family as well as key people in their culture – as they have important roles in their life. The Minangkabau people perceive the environment as unstable and want to adjust to the environment and they give much respect to the elderly and seniority. To conclude, Mangundjaya (2010:62) argued that the Minangkabau people are characterized as: (1) a collectivist society, (2) have a higher power distance, (3) tend to be feminine, (4) have lower uncertainty avoidance and (5) have a long term orientation.

Comparing the cultural dimension of Indonesian people to the Minangkabau people, the results can be seen in the following table.

Table 3.3  
Perceived Values of Indonesian People and Minangkabau People

No	Values	Indonesian People*	Minangkabau People**
1	Individualism vs. Collectivism	Collectivist	Collectivist
2	Uncertainty avoidance	High	Low
3	Power distance	High	High
4	Masculinity vs. Femininity	Feminine	Feminine
5	Short term orientation vs. Long term orientation	Short term	Long term

(\*) as found by Hofstede (1980 and 2012)

(\*\*) as found by Mangundjaya (2010)

We can see from the comparison above that the values of the Minangkabau people are slightly different compared to the values of Indonesian people in general. Minangkabau people display low uncertainty avoidance and have a long term orientation while Indonesian people in general display high uncertainty avoidance and a short term orientation.

Relating those perceived values to entrepreneurship, Bjerke and Hultman (2002) argued that in a society where collectivist culture exists, entrepreneurship may start from an

individual initiative but must have the support of the group to succeed (p.117). Bjerke and Hultman (2002) further mentioned that in a society where the culture has lower uncertainty avoidance, entrepreneurship is more innovative and the process to become an entrepreneur is generally more direct, faster and less complicated (p. 119). Support for Bjerke and Hultman's argument can be found in the Minangkabau people – where they have lower uncertainty avoidance and as the result, entrepreneurship becomes a common choice of living for the people. The long term orientation of the Minangkabau people as part of its values also contributes to the creation of the Minang entrepreneurs. As Bjerke and Hultman (2002) state most entrepreneurship is a long term commitment (p. 121).

Regarding the power distance, both Indonesian and Minangkabau people are having high power distance. Bjerke and Hultman (2002) used their own terminology to describe the power distance in the culture. They used the terms 'long' power distance instead of high power distance and the term 'short' power distance instead of low power distance. However, the terminologies are considered to have the same meaning. In the case of Indonesian people and Minangkabau people who have high or long power distance and relate it to entrepreneurship, Bjerke and Hultman (2002) argued that in this type of culture, initiatives for entrepreneurial activities come normally from the top (p. 123) and control of all aspects of a new venture effort by the entrepreneurs could be very detailed and frequent (p. 124).

### **3.7. Relationship to the Research**

All the sections of this chapter have a direct and/or indirect relationship to the discussion of the research. The sub-section the *definition of entrepreneurship* was used

largely as the baseline theoretical framework to gain an overview about the entrepreneur and entrepreneurship. The sub-section *entrepreneurship and the creation of small and medium scale enterprises* is used to describe the importance of entrepreneurship and the flow of the creation of small and medium scale enterprises. This is a basis for the research to understand the link between entrepreneurial activity – its forms – and its meaning to the community.

The sub-sections regarding *entrepreneurs* are highly significant in the discussion as they can also support the analysis of the questionnaire which asked for student perceptions regarding the entrepreneur. Furthermore, the overview of these sub-sections was used as the baseline information to measure student understanding regarding entrepreneurship.

The sub-section concerning *entrepreneurial traits and personality* is clearly related to the core of this research. This research mainly discusses the role model and its impact on entrepreneurial motivation. Both these two themes are directly related to the themes in entrepreneurial traits and personality.

The next sub-section regarding *theory of role model* is the core for the discussion in this research. It disseminates the theoretical basis as the main consideration for further discussion in the research, to limit the discussion and to explain details about the core topic of the research. In practice this sub-section was used as the main guidance to arrange points that were asked to the students in questionnaire number one. This questionnaire was used mainly to get information regarding the identification of the construct of role model, mechanisms of influence, dimension and proximity, reason to treat and appoint a role model etc.

The sub-section: *entrepreneurial motivation* is the other core basis of the research. It should be stated clearly that the research discusses entrepreneurial motivation, and not

entrepreneurial intention. Therefore, it is important to get insights into how both these two themes are differentiated. This sub-section was also used to arrange questions that were asked of the students in questionnaire number one, mainly regarding motivation of the students to become an entrepreneur.

The sub-sections *theory of social influence and cultural context in entrepreneurship* were also related to the research as the role model is an actor in which the social influence mechanisms can take place. Social influence that results from social interaction in a social network in which a culture exists is one of the main considerations of this research. As the empirical study was mainly carried out on only one Indonesian tribal culture (the Minangkabau culture), it was also reasonable to discuss cultural context in entrepreneurship as one of its theoretical foundations.

## **Summary**

In general, this research is concerned with the entrepreneur as a person. This is why the literatures regarding entrepreneurial traits and personality are being used as the main background and theoretical review. If we talk about entrepreneurs and their efforts in achieving success, we should not forget the topics of entrepreneurial success factors for new business ventures. It is well known that entrepreneurial success factors come from both *internal and external environment factors*, (see the arguments of Dyer 1994, Dobbins and Pettman 1997, Watson, et. al. 1998, and Pena 2002), *psychological factors* (see the arguments of Rotter 1966, McClelland, 1987, Dyer 1994, Grant 1996), *sociological factors* (see the arguments of Gibb & Ritchie 1985, Boyd & Vozikis 1994, Henderson & Robertson 1999, Bridge et. al. 2003, and Robertson 2003).

Given the emphasis of this research, this chapter also discussed the theory of the role model as the foundation. Despite a lack of literatures that specifically discussed the entrepreneurial role model, this research uses theories from Shapiro, Heseltine and Rowe (1978) and Gibson (2004) as the foundation to define the role model and to gain insights regarding the dimensions of the role model. The role model is also viewed as a social influence that can change the attitude and opinions of people towards an entrepreneurial career. Role models can act, and be positioned, as the change-agent of attitude and opinion of the people towards an entrepreneurial career.

This research considers entrepreneurial motivation as its focus. In recent years, studies and research in determining entrepreneurial motives have mostly been completed in the field of entrepreneurial intention, in which the Ajzen's Theory of Planned Behavior (1991) was the dominant model. From several literatures about entrepreneurial motivation, with its parameters-variables and indicators, we can see that it should be distinguished from entrepreneurial intention. Entrepreneurial motivation deals mostly with 'human motivation' (Shane et al., 2003) or 'willingness to enter into entrepreneurship, whilst in the entrepreneurship context, the intention of people to become entrepreneurs comes from both a perceived desirability, and a perceived feasibility alongside other exogenous factors (Krueger, 2000 and Paasio and Pukkinen, 2005). Entrepreneurial motivation in particular can be viewed as based on a quantitative and qualitative perspectives (Shane et al, 2003). Meanwhile, the research and studies in entrepreneurial intention in which Ajzen's Theory of Planned Behavior was (is) used, cognitive variables (constructs) influencing intentions. The main difference between entrepreneurial motivation and entrepreneurial intention lies in the 'factor resources'. Entrepreneurial motivation clearly comes from human motivation (Shane et al. 2003), and it is considered as an *internal factor*. In comparison, Shapero and Sokol

(1982) argued that entrepreneurial intention comes from *external factors* (personal related and situational related factors).

The cultural context found in a social network also has an influence directly or indirectly on entrepreneurship. It is still useful to consider this cultural context even though little is known about the complex role of culture in the rise and fall of business (Verheul et al., 2001). Simplifying the analysis of the cultural context and its relationship to entrepreneurship can be done by using the approach of Hofstede (1980) that is concerned with the cultural dimensional approach of a country (power distance, uncertainty aviodance, individualism vs. collectivism and masculinity vs. femininity), as well as the analysis of Samit (2005) which concerns the relevant analysis regarding the continuum of individualism and collectivism, as well as the power distance as the major roles in identifying a culture's propensity to entrepreneurship.



## **IV. Entrepreneurship Education in Higher Education Institutions**

### **Introduction**

Entrepreneurship is becoming a major subject of study at universities / higher education institutions. As a subject, it is important in preparing students to face challenges in today's economic and business activities. It is also used to anticipate the lack of employment and the rise in the unemployment rate in most of the countries in the world. Higher education institutions need to react and should be responsive towards the dynamics and conditions of the world's economy and actively participate in decreasing the rate of unemployment. They should not always stick to the old paradigms; just to prepare and create students to be qualified and/or highly competent job seekers, but should also prepare and enable students to be more entrepreneurial, and furthermore, to become entrepreneurs who can bring significant results to regional economic performance.

As we know, an entrepreneur is the job creator who can create multiplier effects for the economy and to the employment rate in particular. Higher education institutions with their resources, research facilities, networks and linkages are in the best position to do this - preparing students to become an entrepreneur through their entrepreneurship education programme at all levels of study. The need to respond to global economic conditions and improving participation of universities in the economy has increased the importance of entrepreneurship education to university students. To response to this, entrepreneurship education should be made available for all university students regardless of their majors in order to improve their competitive advantage, not only for themselves but also for the nations and societies where they are involved (Lee, Chang and Lim, 2005).

#### 4.1. Challenges and Debates in Entrepreneurship Education

Entrepreneurship education suffers from a lack of agreement between scholars in determining both the most effective and efficient ways as well as the pedagogical paradigm for delivering entrepreneurship to the students (Singh, 2008). Given that there is no uniform definition of what constitutes entrepreneurship, the qualities that an entrepreneur must possess and what are the certain entrepreneurial behaviours that should be performed by an entrepreneur, remain questionable (Lumpkin and Dess, 1996 and Bull and Willard, 1993). As a consequence, entrepreneurship is delivered as a generic subject that only equips students with knowledge of entrepreneurship alongside the traditional business-management skills and knowledge.

Despite the non-agreed definition on entrepreneurship which has resulted in a lack of a suitable pedagogical paradigm in entrepreneurship education, some scholars have tried to define the entrepreneurship education, for example, Heinonen and Poikkijoki (2005) tried to constitute the definition of entrepreneurship education. They stated:

*“Entrepreneurship education is the activities aimed at developing enterprising or entrepreneurial people and increasing their understanding and knowledge about entrepreneurship and enterprise”*

Unfortunately, the definition of entrepreneurship education as suggested by Heinonen and Pokkijoki (2005) cannot resolve the question and debate of how entrepreneurship education should be carried out, and this has become the central to the challenges and debate facing entrepreneurship education. Albeit one thing that scholars have in common is the principle that entrepreneurship education should rely on the adequacy regarding the objectives, characteristics of the audience and the existence of an

institutional context that can both influence the contents and address the constraints of entrepreneurship education.

Kirby (1996) argued that entrepreneurship education should not always be done in terms of '*educating about entrepreneurship*' but should switch to '*educating for entrepreneurship*.' Educating about entrepreneurship will only let students know about entrepreneurship without any further impacts for new venture creation, personal development and career choice. On the other hand, educating for entrepreneurship will switch student opinion, overview and attitudes toward entrepreneurship, so that they learn more than would be taught by their lecturers alone. Consequently, "*entrepreneurship education should change its processes and approaches*" (Kirby, 1996) as it should provide students with motivation, skill and knowledge essentials for launching a new venture (Cho, 1998). Therefore, entrepreneurship should also be viewed as one of their legitimate career choices by students and consequently, there should be continuous improvements in entrepreneurship education. Educators are in an important position to improve student awareness regarding entrepreneurship as an alternative choice of career and at the same time, to facilitate students to become entrepreneurs. The role of educators wanting to foster entrepreneurial attitudes in their students are less about changing the students directly than about increasing the awareness of entrepreneurship as an alternative career choice and therefore the creation of an environment that fosters entrepreneurial behaviour (Aronsson, 2004).

As a response to Kirby (1996), Rae (1999) proposed that there should be changes to the content of the courses from ordinary business skills-knowledge and understanding to the development of the students' entrepreneurial skills, attributes and behaviours. This is also backed up by Gibbs (1987) who said that the process of learning should

also be shifted from the traditional learning processes into “*entrepreneurial learning processes*”. Thus, the challenge of entrepreneurship education is to establish, develop and maintain a system of learning (and assessment) that can add to the traditional ways of learning and developing its students with the skills, personality attributes and behavioural characteristics of the enterprising or entrepreneurial individual (Kirby, 2002). Kuckertz (2013) added that compared to teaching entrepreneurial competencies, improving entrepreneurial attitudes seems to be a far more demanding challenge for entrepreneurship educators.

Jones and Iredale (2010) identified the problem within the continuum of enterprise and entrepreneurship education. They argued that entrepreneurship education is more related to a new venture creation, growing and managing business, self-employment and the acquisition of necessary skills and knowledge to start the and manage businesses. On the other hand, enterprise education is more related to the development of skills and knowledge of a person as an enterprising individual, the use of enterprising skill behaviours and attributes in a person’s life and how a business works. They also argued that entrepreneurship education focuses primarily on starting, growing and managing business whereas the primary focus of enterprise education is on the acquisition and development of personal skills, abilities and attributes that can be used in different context and throughout the life course.

Related to the possible further development in entrepreneurship education, Higgins and Mirza (2012) for example, argued that entrepreneurial education should consider a more reflexive practice-oriented education agenda and approach that involve self-conception of what does it mean to be an entrepreneur. Their argument supports Jack and Anderson (1999), who previously argued that reflective practitioners with their

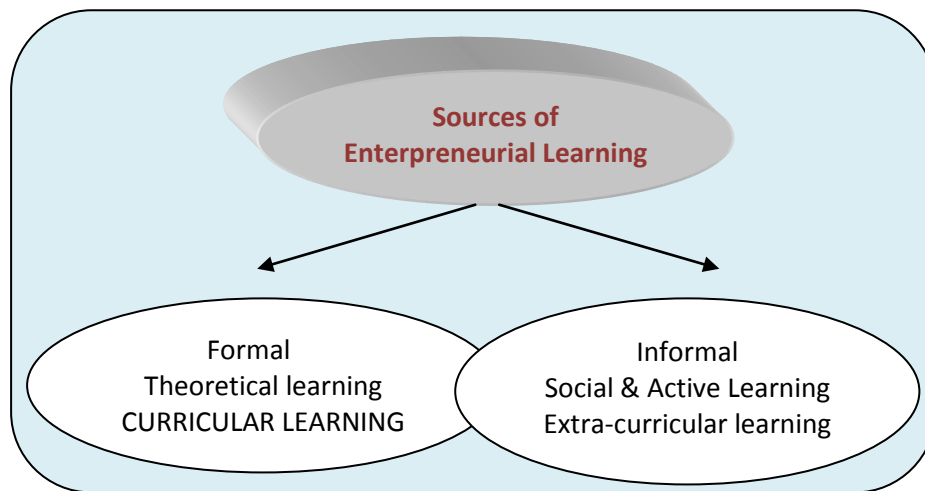
knowledge and critical abilities are capable not only to start a new business but also can ensure the continuing viability of businesses by enhancing the capacity for them to develop through a richer understanding of the entrepreneurial processes.

#### **4.2. Approaches in Entrepreneurship Education**

Tautila (2010) as cited by Deacon and Harris (2011) argues that entrepreneurship education in universities should embrace both the normative approach which is theory-based and the pragmatic approach which is more contextual, experiential and reflexive. Recent development in entrepreneurship education has shown us that the use of only one approach cannot guarantee the success and qualities of entrepreneurship education in the university, there is an informal agreement between scholars that the 'learning' approach which accommodates both the formal and informal learning possibilities will be more successful in entrepreneurship education rather than the 'teaching' approach.

Rae's opinion (1999) about sources of entrepreneurial learning for university students can be used to consider the basic approach in entrepreneurship education. He mentioned that sources of entrepreneurial learning should be active, social and formal. In further details and explanation, Edwards and Muir (2004) divide these into two big continuums as shown in Figure 4.1.

Figure 4.1  
Merging Entrepreneurial Learning (Edwards and Muir, 2004)



Source: Edwards and Muir (2004)

Edwards and Muir (2004) explained that the formal theoretical learning that is arranged by a strict curriculum without involving an informal social and active learning results that the students may soon forget all that have been studied / taught. In this matter, students are only required to have theories and relevant knowledge delivered by lecturers in a certain place and time but unfortunately, this can not guarantee the effectiveness of the learning process. Edwards and Muir mentioned the result of this learning method according to the expression from students as: ...*"tell me more, and I will forget"*....

On the other hand, if the informal social and active learning are chosen without involving entrepreneurship curriculum as a means of theoretical learning, this will make students remember what has been learnt. In their words, Edwards and Muir (2004) described the result of this learning method as: ....*"show me and I may remember"*.... Memorizing social and active learning is arguing a desirable pattern for entrepreneurship as it needs practical approaches. However, remembering of something

only without understanding is perceived to be useless if we would like to have positive impacts and further entrepreneurial actions.

The best choice of source for entrepreneurial learning is believed to come from the blended combination of formal and informal learning. Students should be first equipped with formal structured learning (by curriculum) and be supported with informal social and active learning thereafter. Edwards and Muir (2004) argued that students will understand about entrepreneurship and how important it is. They described the result of this learning activities as: ....*"involve me and I will understand"*....

Though it is not yet known and widely accepted what is best practice in delivering entrepreneurship education, the opinions of Kirby (2002) and Edwards and Muir (2004) have given us an overview that entrepreneurship education should be best done integratively through using formal and informal approaches.

In a more recent paper regarding the learning process in entrepreneurship education, Fayolle and Gailly (2008) have mapped the key dimensions of the learning processes in entrepreneurship education and the alternative to teaching models that can be chosen. These views are summarized in the following table.

Table 4.1  
Key Dimensions of the Learning Processes in Entrepreneurship Education

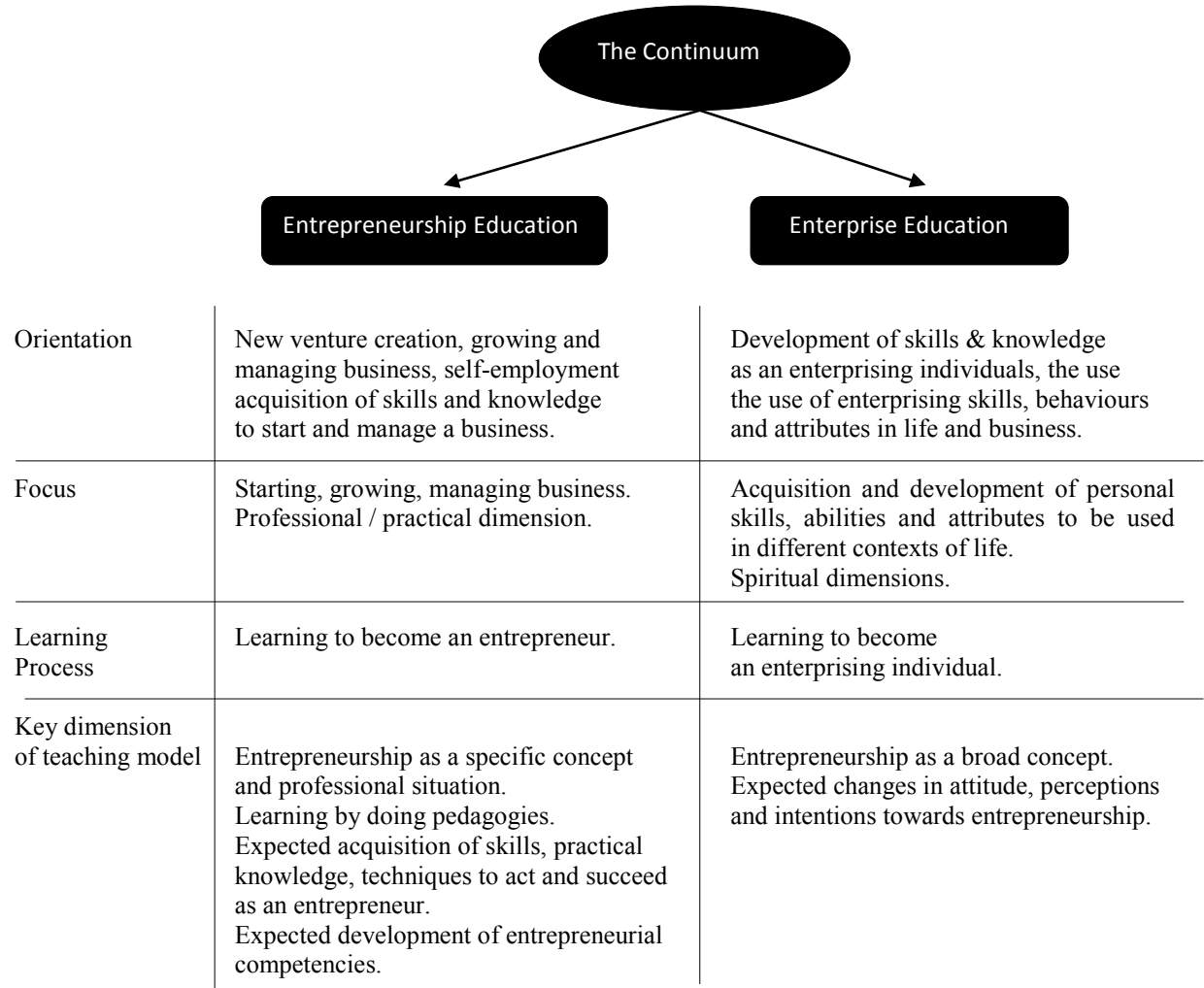
Learning process	Key dimensions of the teaching model
Learning to become an enterprising individual	<ol style="list-style-type: none"> <li>1. Entrepreneurship as a broad concept</li> <li>2. Focus on spiritual dimensions (know why and know when)</li> <li>3. Expected changes in attitude, perceptions and intention toward entrepreneurship</li> <li>4. Large diversity of audiences: students in business and non-business fields</li> <li>5. High importance of entrepreneurs as role models in the classroom</li> </ol>
Learning to become an entrepreneur	<ol style="list-style-type: none"> <li>1. Entrepreneurship as a specific concept and professional situation (independent entrepreneurship, corporate entrepreneurship etc.)</li> <li>2. Focus on professional / practical dimensions (know what, know how and know who).</li> <li>3. Learning by doing pedagogies.</li> <li>4. Expected acquisition of skills, practical knowledge, techniques to act and succeed as an entrepreneur.</li> <li>5. Expected development of entrepreneurial competencies</li> <li>6. Main audiences: would-be entrepreneurs working or having a real and concrete entrepreneurial project</li> </ol>
Learning to become an academic	<ol style="list-style-type: none"> <li>1. Academic conception of entrepreneurship</li> <li>2. Focus on theoretical dimension</li> <li>3. Didactical educational model</li> <li>4. Discussion in the classroom of research issues</li> <li>5. Main audiences: PhD students, teachers and researchers</li> <li>6. Expected acquisition of theoretical and scientific knowledge</li> </ol>

*Adopted from Fayolle and Gailly (2008)*

Combining the opinion from Jones and Iredale (2010) regarding the continuum between the enterprise education and the entrepreneurship education and Fayolle and Gailly's (2008) key dimension in the teaching model of entrepreneurship education, we can summarise the distinction the continuum of entrepreneurship education and enterprises education as the Figure 4.2.



Figure 4.2  
The Continuum of Entrepreneurship and Enterprise Education



*Adopted from; Jones and Iredale (2010) and Fayolle and Gailly (2008)*

Identification of both these continuums can further benefit us to determine a suitable pedagogical concept that will support the main goal and objectives in delivering entrepreneurship as a subject to our students.

#### **4.3. Teaching and Learning Models in Entrepreneurship Education**

From a bundle of representative studies and research regarding entrepreneurship education among countries, Mwasalwiba (2010) summarized that the general objectives of entrepreneurship education in various countries comprise of: (1) increasing entrepreneurial spirit / culture / attitudes (34% among the recorded studies and research), (2) start-up and job creation (27%), (3) contribution to the society (24%), and, (4) to stimulate entrepreneurial skills (15%). These objectives led to the possible choice of the teaching methods, which can be categorized into traditional methods (comprising normal lectures) and innovative methods which are more action-based (Arasti, Falavarjani and Imanipour, 2012), or in other terminology, passive and active methods (Mwasalwiba, 2010). To name some detailed teaching and learning methods in entrepreneurship, Pittaway and Cope (2006) through a Systematic Literature Review identified these as: the use of the classic approach (Benson, 1992), action learning (Leitch and Harrison, 1999), new venture simulations (Clouse, 1990; Kelmar, 1992), technology based simulations (Low, Venkataraman and Srivatsan, 1994; Hindle, 2002), the development of actual ventures (Haines, 1988), skill based courses (Ullijn, Duill and Robertson, 2004), video role plays (Robertson and Collins, 2003), experiential learning (Sexton and Upton, 1987; Daly, 2001) and mentoring (Stewart and Knowles, 2003). An example of the implementation of the action learning method in developing entrepreneurial graduates can be found in the postgraduate programme offered by Glamorgan Business School in their Diploma in Entrepreneurial Practice (Jones-Evans, Williams and Deacon, 2000). This programme developed the praxis style of management education and focused its application to that of the encouragement of entrepreneurial activity in its many forms.

It is generally agreed by scholars that traditional teaching methods in entrepreneurship education are less effective in encouraging students' entrepreneurial attitudes as they tend to make students become dormant participants. As a consequence, traditional methods are preparing students to work for an entrepreneur but not to become one.

Lourenco and Jones (2006) argue to further strengthen that mixture of collaboration of traditional approaches (lectures and seminars) which use transmissive methodologies (Sterling, 2001:36) with the transfer of information using more enterprising and interactive approaches (company visits, in-depth discussions with real entrepreneurs, activities) which use transformative methodologies – so that learners are engaged in constructing and owning their learning. Arguing this provides the best learning style for nascent entrepreneurs., Balan and Metcalfe (2012) using a well-established measure of student engagement argued that team based learning, poster plan and small business awards appear to be particularly effective in supporting students' engagement in entrepreneurship. Arasti, Falavarjani and Imanipour (2012) found that the case study and projects, (either group or individual), problem solving and a project for establishing a new venture creation are the most appropriate methods for engaging students in entrepreneurship. Furthermore, reflecting interactive approaches which use transformative methodologies, Kuckertz (2013) emphasized two possible prominent learning methodologies in entrepreneurship that may raise the entrepreneurial attitudes of students. They are:

1. The exposure of students in class to specific role models such as successful entrepreneurs (Aronsson, 2004, Souitaris et. al., 2007 and McCarver, et. al., 2010).

Concerning the choice of role model entrepreneurs, Kuckertz (2013) further suggested that they are better to be; (a) younger entrepreneurs who are two or three years ahead of the student, and (b) those to whom students can easily relate.

2. Project based learning (Gorman, et. al., 1997) and learning by doing (Fiet, 2001), for instance the involvement of students in actual start-ups or student consulting to entrepreneurs.

In the case of entrepreneurship education in Indonesia, Fitriati (2012) investigates methods and approaches to delivering entrepreneurship education in five Indonesian universities. She found that these five universities develop and deliver their entrepreneurship education with the following approaches:

1. Formal learning (curriculum development, in-class teaching, seminars, workshops, business conceptualization and case based teaching, entrepreneurial life-cycle, discussions, teaching block system).
2. Institutionalizing (business incubators, competition, extra-curriculum activities)
3. Informal learning (company / field visit, experience learning, *studium generale*, and, awareness)

It can be concluded from Fitriati (2012) that Indonesian universities still emphasize and are still merely following a formal approach in delivering entrepreneurship education. Although she also found that there are efforts to develop informal learning methods, unfortunately these are still limited to the more traditional and ordinary informal learning approach, such as: a company / field visit and inviting entrepreneurs to deliver a speech. Therefore, finding a breakthrough in improving students' engagement, personality, awareness and attitudes toward entrepreneurship and blending it with the

existing educational approaches would be a particular challenge for Indonesian universities. These alongside the challenge to the educators' competence in delivering the informal learning approach (possibly the blended one) as teachers / lecturers in Indonesia tend to adopt only a traditional model. As Kuckertz (2013), the challenge to teaching entrepreneurial competencies seems less to be HOW to teach these competencies but rather WHO will teach them.

However, it will be the decision of each higher education institution to find out and develop learning methods that will be the most suitable along with associated techniques to be used in delivering entrepreneurship courses and appropriate subject material to their students. Apart from orientation, objectives, teaching methods and course content of the education, the important thing that one shall not forget are social and cultural matters. As Watson, Hogarth-Scott and Wilson (1998) and Morrison (1999) in Lee, (2005) argued, "entrepreneurial spirit needs appropriate social and cultural background to initiate motives for venture creation and aspiration for excellence in various academic areas in order to create successful ventures".

## V. Research Philosophy and Design

### Introduction

This chapter describes the philosophy and design of the research that was set up to conduct the detailed analysis for this thesis. This detailed description of the research philosophy and design explains the data collection, the information required and the data and information analysis.

This chapter also explains the underlying philosophy and paradigm for this research, the research questions, the research hypotheses, the research approach, the research models, the population and sample of the research, data collection and data analysis.

### 5.1. Research Questions

As mentioned in the introduction of this thesis, the main objective of the research is to *explore and explain the existence of the role model and its relationship to student entrepreneurial motivation*. Consistent with this, the research further derives two detailed research questions as follows:

1. How successful entrepreneurial role models can influence entrepreneurial motivations of undergraduate students?

As mentioned by Gibson (2004), the absence of research in the field of role models is in particular research in which individual perceptions of their actual role model are used along with their impact of those role models on the individual's personality and planning for the future life. There is no research in the field of entrepreneurship that directly discusses the individuals' perception of their role models and how the entrepreneurial role model can influence and affect

an individual's personality and planning for their future life. Identification of this gap has assisted the researcher to formulate the research question, specifically related to student entrepreneurial motivation.

2. Which successful entrepreneurial role models (from several constructs of role models) will most influence undergraduate students to become an entrepreneur?

Despite a massive and strong description of the role model concept and efforts to identify the role model, unfortunately Gibson's conception of role models (2004) and Ajzen's Theory of Planned Behaviour (1991) cannot point out clearly who is the most significant role model for people who can influence their entrepreneurial motivation -particularly for students. The identification of possible constructions of role models that mostly influence student entrepreneurial motivation will be valuable information for understanding the role model. Practically, this identification can also determine the possible construct of the role model that can be used to motivate students to enter into an entrepreneurial career.

## **5.2. Hypotheses**

The hypotheses of the research were set up based on the research questions and potential answers that could appear from the research. These were identified through using opinions, overviews and arguments from scholars which directly and indirectly relate to the research questions. This has created three main hypotheses. They are:

**H1.** *Role models influence undergraduate student entrepreneurial motivation by changing opinion and attitudes toward entrepreneurship and career choice.*

Attitudinal change and opinion change are those types of change in which the change agent exercises social influence. As Katz (1960) stated, “an attitude is formed by the excitation of a need in the individual. This need may arise within the individual or be triggered by a relevant cue in the environment”. Kelman (1961) said that one’s opinion can be changed if there is a social influence in terms of compliance, identification and internalization, in which a change-agent is taking part. In relation to this hypothesis, it is assumed that the role model as a change-agent can change opinion and the attitude of the students toward entrepreneurship and their career choice.

**H2.** *Closure mechanism is the most common mechanism for students to treat and appoint other individuals as role models.*

Following Sorensen (2007), the research believes that the *closure mechanism* is the most common pattern for individuals to treat others as their role models. As Sorensen (2007) mentioned, the closer individuals are to their role model, the more likely they will treat and appoint them as their role model.

**H3.1.** *Role models to be considered important and relevant for the choice of entrepreneurial career by undergraduate students are the people within their very close social network, i.e. family members.*

The studies of Matthews and Moser (1996), Mallete and McGuiness (1999) and Morrison (2000), as cited in Kirkwood (2005), are the basis for this hypothesis. They found an increased likelihood of an individual becoming interested in entrepreneurship if they have a family entrepreneurial background. Morrison (2000) argued that if one has previous experience of the effects of entrepreneurship from a family member, they will be more prepared for entrepreneurship. Equally, family support can also make a positive contribution to the entrepreneurial mind-set. The more students are involved in activities



in relation to one successful individual, the bigger the chance for the individual to be a role model for that student and, the bigger the chance for them to bring an influence.

**H3.2** *Parents, who are entrepreneurs, are considered to be the most significant influence for undergraduate students to become an entrepreneur.*

This hypothesis follows Bygrave (1995), who argued that “if you have a close relative who is an entrepreneur, it is more likely that you will have a desire to become an entrepreneur yourself, especially if that relative is your mother or father”. (p. 7).

This is relevant to the study by Gibson and Cordova (1999) who found that the early role models for individuals are normally their parents, whilst later role model(s) are usually ones who come from the ‘*wider arena*’. It is clear that parents have the *power* to be positioned as the role model of the children. Children normally adopt and follow what their parents do and ask. Parents are also in a perfect position to become *the change-agent* for their children, because they can change their children’s attitude and opinion. This condition assumes that parents have the potential to change the opinion and attitude of their children to choose an entrepreneurial career as their way of life and their future career.

### **5.3. Research Philosophy and Paradigm**

#### **5.3.1. Ontology**

As Flowers (2009), ontology describes the view (whether claims or assumptions) on the nature of reality, and specifically, it is related to the question: is this an objective reality that really exists or only a subjective reality, created in our minds. Therefore, the central question in the ontology is whether the reality exists detached from the mind or is it a product of the individual, or in other words, is reality given or a product of the mind?

Answering this question, Lehner and Kansikas (2011) based on the work of Burrell and Morgan (1979) as the foundation, mentioned that there two possible research ontology, which are: (1) realism which results in objectivity and (2) nominalism which results in subjectivity. Realism assumes that the facts are observable and the truth can be captured if we use the right methods. Meanwhile, nominalism observes the facts from a subjective point of view and that the truth is complex.

This research, based on its nature of work and investigation, follows *realism* as its research ontology as it believes that the facts and data can be observed and collected, and furthermore the results will lead to objectivity in explaining phenomenon that arise during the fieldwork and data collection.

### **5.3.2. Epistemology**

Epistemology considers views about the most appropriate ways of enquiring into the nature of the world (Easterby-Smith, et al. 2008) and what is knowledge and what are the sources and limits of knowledge (Eriksson and Kovalainen, 2008). Therefore, the question of what forms of knowledge can be obtained and how can truth and false be distinguished are the two central questions that were attempted to be answered in epistemology (Lehner and Kansikas, 2011). Answering these questions, there two possible positions of the research (and the researcher), which are: (1) the positivist position that leads to the objective view and (2) the anti-positivist position that leads to the subjective view. The positivist position views, knowledge can be obtained by searching patterns and relationships between people by developing hypotheses and testing them. On the other hand, the anti-positivist viewpoint says that observing behaviour cannot help one understand it since it must be experienced directly and personally.

This research uses *positivism* as its research ontology and the researcher states his position as a *positivist*. As to the nature of this research, it is undertaken with an objective interpretation of the data and information that have been collected during the fieldwork and arranging hypotheses and testing them objectively by using a quantitative approach which is analysed by statistical analysis. As Saunders et al. (2003), positivism research emphasizes a structured methodology and quantifiable observations that lend themselves to statistical analysis and this research has filled all the requirements to be categorized as a positivist approach.

### **5.3.3. Methodology**

Methodology of the research relates to efforts in finding the truth based on the data and information. It mainly considers the question: how can we find out what we believe exists? Answering this question, there two possible research methodologies that can be chosen, namely: (1) nomothetic methodology and (2) ideographic methodology. Nomothetic methodology which leads to objectivity relies on scientific methods and hypotheses testing, using quantitative tests and standardized tools. Meanwhile, ideographic methodology focuses on a subject and exploring the background and it leads to a subjective result.

This research has arranged several hypotheses based on the investigation, data collection and information during the fieldwork. It then uses a quantitative approach with specific statistical tool (SPSS) to analyse the data and test the hypotheses. As the nature of its works, this research uses *nomothetic methodology* as its research methodology.

#### 5.3.4. Research Paradigm

Research paradigm consists of four possible paradigms that would be occurring in the research. According to Burrell and Morgan (1979) as cited by Lehner and Kansikas (2011), the research paradigm in the social science can be: (1) interpretivist, (2) radical humanist, (3) functionalist and (4) radical structuralist. Lehner and Kansikas (2011) explained these in the following detail.

Table 5.1  
The Research Paradigm and Its Detailed Characteristics

No	Research Paradigm	Interpretation	Characteristics
1	Interpretivist	Focuses on how individuals create, modify and interpret the world and see things as more relativistic	Nominal Anti-positivist Ideographic Based on the regulation
2	Radical humanist	Relatively the same as interpretivist but with some aspects of a radical view (in particular related to the change, conflict, power, domination, emancipation, deprivation and future potential)	Nominal Anti-positivist Ideographic Based on the radical view
3	Functionalist	Examines relationships and regularities between the elements, searching for concept and universal laws to explain reality	Realism Positivist Nomothetic Based on the regulation
4	Radical structuralist	Relatively the same as functionalist but with some aspects of a radical view (in particular related to the change, conflict, power, domination, emancipation, deprivation and future potential)	Realism Positivist Nomothetic Based on the radical view

Adopted from Lehner and Kansikas (2011)

Putting this into the context of this research and based on its work and characteristics, the research paradigm of this research is as a *functionalist*. As previously mentioned, this research is based on realism (ontology of the research), puts its position as a positivist (the epistemology), uses nomothetic methodology (the methodology) and based on the regulation, which means as based on theoretical framework that was previously arranged.

### 5.3.5. Theory Building

Theory building relates directly to the choice of the research paradigm. The choice of the research paradigm in each research will affect approaches to the theory building that will be done during the research. As Goia and Pitrie (1990), paradigm differences that affect theory building are shown in the following table.

Table 5.2  
The Research Paradigm Affecting Theory Building

No	Paradigms			
	Interpretivist	Radical Humanist	Radical Structuralist	Functionalist
1	<b>Goals</b> To describe and explain in order to diagnose and understand	<b>Goals</b> To describe and critique in order to change (achieve freedom through revision of consciousness)	<b>Goals</b> To identify sources of domination and prescription in order to guide revolutionary practices (achieve freedom through revision of structures)	<b>Goals</b> To search for regularities and test in order to predict and control
2	<b>Theoretical concerns</b> Social construction of reality Reification process Interpretation	<b>Theoretical concerns</b> Social construction of reality Distortion Interests served	<b>Theoretical concerns</b> Domination Alienation Macro forces Emancipation	<b>Theoretical concerns</b> Relationships Causation Generalisation
3	<b>Theory building approaches</b> Discovery through code analysis	<b>Theory building approaches</b> Disclosure through critical analysis	<b>Theory building approaches</b> Liberation through structural analysis	<b>Theory building approaches</b> Refinement through causal analysis

Constructed from Goia and Pitrie (1990 p. 591)

Following the paradigm of this research and by using the opinion of Goia and Pitrie (1990) as above, this research uses the refinement through causal analysis as its theory building approach. The research mainly aims to find the causal relationship between the

influences of the entrepreneurial role model (as an independent variable) on students' entrepreneurial motivation (as a dependent variable).

The relationship between both these variables was considered as the *causal relationship*, simply shown as:

$$\mathbf{EM} = f(\mathbf{RM}) \quad \text{where:}$$

EM = Entrepreneurial motivation

RM = Role Model

#### **5.4. Research Approach**

As described previously, this research intends predominantly to find the influence of role models on students' entrepreneurial motivation. The main aspects that are investigated in this research consist of: (1) the relationship between variables of research, (2) determining the construct of a role model that most significantly influences students' entrepreneurial motivation and (3) the mechanism by which constructs of the role model may influence students' entrepreneurial motivation.

This research mainly uses a *quantitative approach*. In general, the quantitative research approach has five main characteristics as follows:

1. It is mainly a deductive method
2. Research tests the hypotheses and theory with data
3. Research objectives try to describe, explain and predict the phenomenon
4. Mainly using data that consists of numerical indicators
5. Data analysis tries to identify a statistical relationship

In more detail, this research uses the *ex-post factor* and *correlational research* as parts of its quantitative research approach. As Ismail (2005), the ex-post factor could be the

closest approach to search for a cause and effect relationship between the independent variables and dependent variables. Bringing this into the research, it attempts to find a cause and effect relationship between its variables. The independent variable of the research is the existence of role model (RM) while the dependent variable is entrepreneurial motivation (EM). Taking these into account, it is reasonable for this research to use the ex-post factor as its research approach.

Furthermore, according to Ismail (2005), in correlational research, the researcher should have prior knowledge about correlations among variables in previous studies that are similar to the research problems. Putting this into the context of this research, the researcher understands that there were previously related studies in role model and entrepreneurial motivation - see the studies of Gibson and Cordova (1999), Gibson (2004), van Auken et al., (2006) and Bosma et al., (2011). Although those studies exposed different directions, topics and objects compared to the directions, topic and objects of this research, their conclusions suggested that there is a positive impact of a role model on the entrepreneurial motivation and intention of an individual and these are used as one principal foundation and guide to formulate hypotheses in this research.

## **5.5. Research Model**

### **Introduction**

The research is using models as part of the framework and basis for its analysis. The development of the models was undertaken by the researcher. They were completed by summarising previous studies and research by scholars in particular fields of entrepreneurship. Research models that were developed in the research are: (1) *The Pull and*

*Push Factors Based Model, (2) The Proximity Based Model and (3) The Combined Model between Model 1 and Model 2.*

As the name suggests, the pull and push based factors model was developed according to the theory and the argument that an entrepreneurial career is the result of the existence of pull and push factors in entrepreneurship. In this model, the role model is considered as one element of the push factors. It is considered as a factor that can push an individual to enter into an entrepreneurial career through an *encouragement mechanism*, where role models and their influence can convince individuals to enter into an entrepreneurial career based on their performance.

In the second model – the *Proximity Based Model*, the role model is analysed based on the proximity of role model to the individuals. Proximity is meant as the distance of the role model to other individuals. The research believes that role models can be found in the environment which is very near or further away from the individuals and they can live in a very close social network or are not known personally by the individuals. This is based on the proximity identification of the person in an individual's social network that can give the social influence to other individuals within their social environment, Klyver and Schoett (2011).

The third model is the combined model between model 1 and model 2.



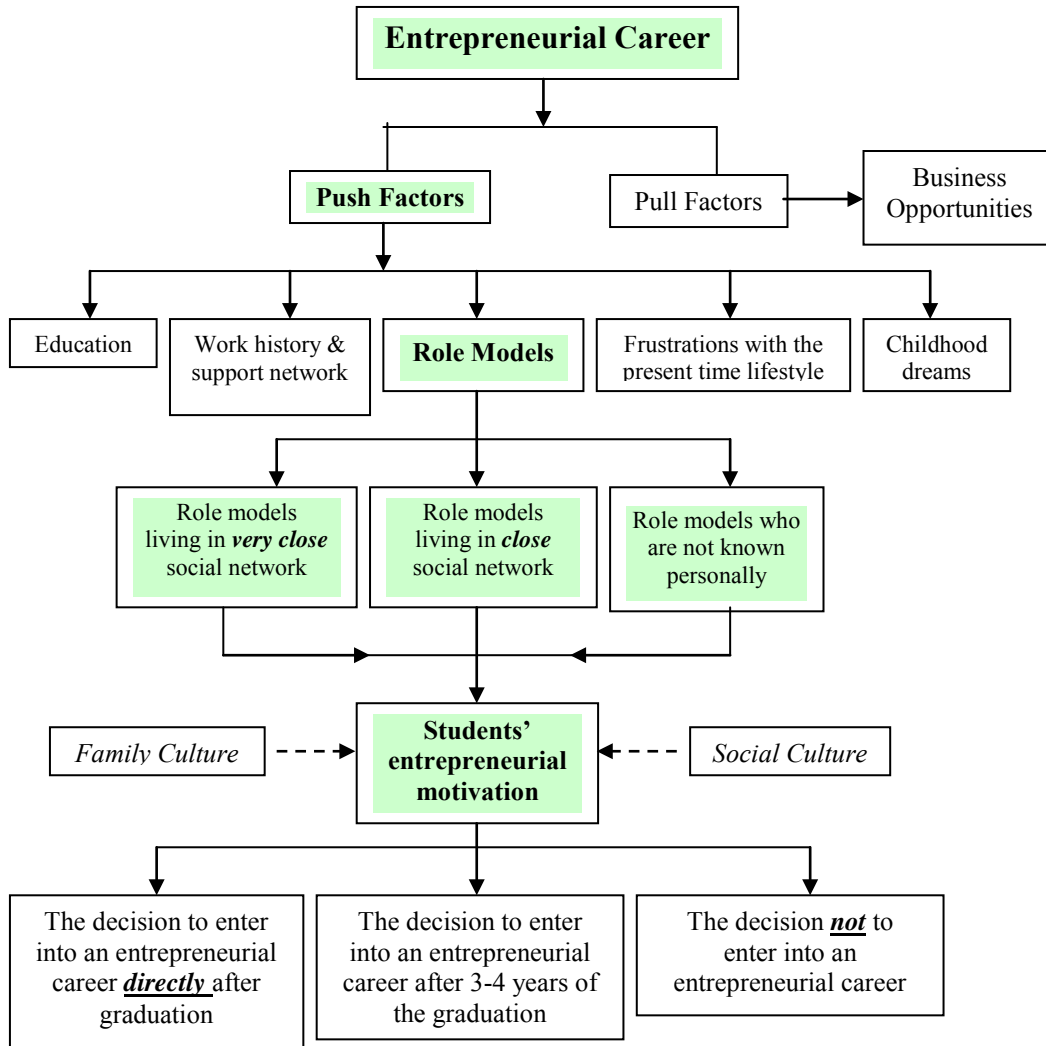
### **5.5.1. The Pull and Push Factors Based Model**

The main relevant entrepreneurship studies and research which are used as the basis for the development of this model are:

1. The studies and research in entrepreneurial motivation
2. The push and pull factors into an entrepreneurial career
3. The study of entrepreneurial traits and personality
4. The studies and research of the influence of role models as well as the theory of role models.

The model starts from the possible entrepreneurial career that can be chosen by students and which is drawn from their *personal circumstances*. An entrepreneurial career is the starting point in the model since the students believe that it can be one of their alternative choices for their future life. This model is shown below.

Figure 5.1  
The research model on how role models can influence students' entrepreneurial motivation  
(Push and Pull Factors Based Model)



Source: The Author, 2012

Notes: This model is mainly derived from the push and pulls factors into an entrepreneurial career (Gilad and Levine, 1986 and Campbell, 1992), the theory of role models (Gibson, 2004), traits and personality of entrepreneurs, and, studies and research in entrepreneurial motivation (Shane et. al., 2003)

The theory of push and pull factors as the basis for people to enter into an entrepreneurial career was first introduced by Gilad and Levine (1986) and later, Campbell (1992). The general explanation of the model is as follow. The two factors that can make people decide to enter into an entrepreneurial career are *the push factors* and *the pull factors*. *The pull factors* contend that individuals are interested to enter into

an entrepreneurial career and activities as they need independence to work, self-fulfilment, getting wealth and getting other desirable outcomes. The pull factors are mainly related to entrepreneurial opportunities within the environment and these are treated as the *external factors* for people to enter into an entrepreneurial career. Resources for entrepreneurial opportunities come from scanning existing market conditions, customer needs and trends, tender offering and government and public works opportunities. The media can play a vital role in this. People can discover opportunities from newspapers, magazines, government statistical reports and company publications and further, these opportunities can influence entrepreneurial behaviour (Shane et al., 2003). Thus, this can help people decide whether to enter into entrepreneurial career since they can see the possibility of gaining profit.

Meanwhile, *the push factors* are related to the *human factors and motivation* to become an entrepreneur. Shane et al. (2003) were concerned about the human factors of people to become an entrepreneur and they argued that the human factor can motivate people to enter into an entrepreneurial career and it therefore plays a critical role in the entrepreneurial process. The push factors are identified as: (1) a frustration with present lifestyle, (2) childhood dreams, (3) family business environment, (4) the level of education, (5) entrepreneurial role models, (6) the work history and (7) a support network (see Hisrich, 1990, Krueger, 1993, Mueller and Thomas, 2000, McMullen and Shepherd, 2006).

The core of the model starts from the existence of the role model which it is predicted can be a factor in influencing students' motivation to entrepreneurship. According to its proximity to individuals, there are three types of role model that were considered in the research; namely role models living in *very close* social networks of the students, role

models living in a *close* social network of the students and role models who are not known personally by the students. The role models who are living in a *very close* social network of the students are their core family members i.e. parents and siblings. A very close social network relationship creates the family culture, and daily interaction between family members takes place intensively. The notion of a very close social network can also mean that the students are living within very close proximity to their role models.

The role models who are living in a *close* social network of the students can be their relatives or non-relatives. They are identified as uncles and aunties, friends, boyfriends and girlfriends as well as teachers / lecturers. The students may, or may not, establish their daily interaction with them intensively.

The third group of role models are those who are not known personally by the students. They are entrepreneurs, who can directly, or indirectly, motivate students for the choice of their future career. The students have no interaction with them and just know them from, for example, their biography, success stories, business and entrepreneurial performance, magazines, newspaper and studium generale.

The existence of role models within the family and social network can also influence the entrepreneurial motivation of the students. However, it cannot be guaranteed as the only factor for the students to take the decision to become an entrepreneur. There are still family and social cultures around the students' social network that can foster their motivation into entrepreneurship. Family and social cultures can foster, or even hinder, the future choice of the students to make the decision as to whether or not they will become entrepreneurs.

As a result of this, there will be three possible choices for the students regarding whether they will enter into an entrepreneurial career or not. The first choice and possibility is entering into an entrepreneurial career directly after graduation, the second is entering into an entrepreneurial career some years after graduation and the last will be the decision to not enter into entrepreneurial career at all.

### **5.5.2. The Proximity Based Model**

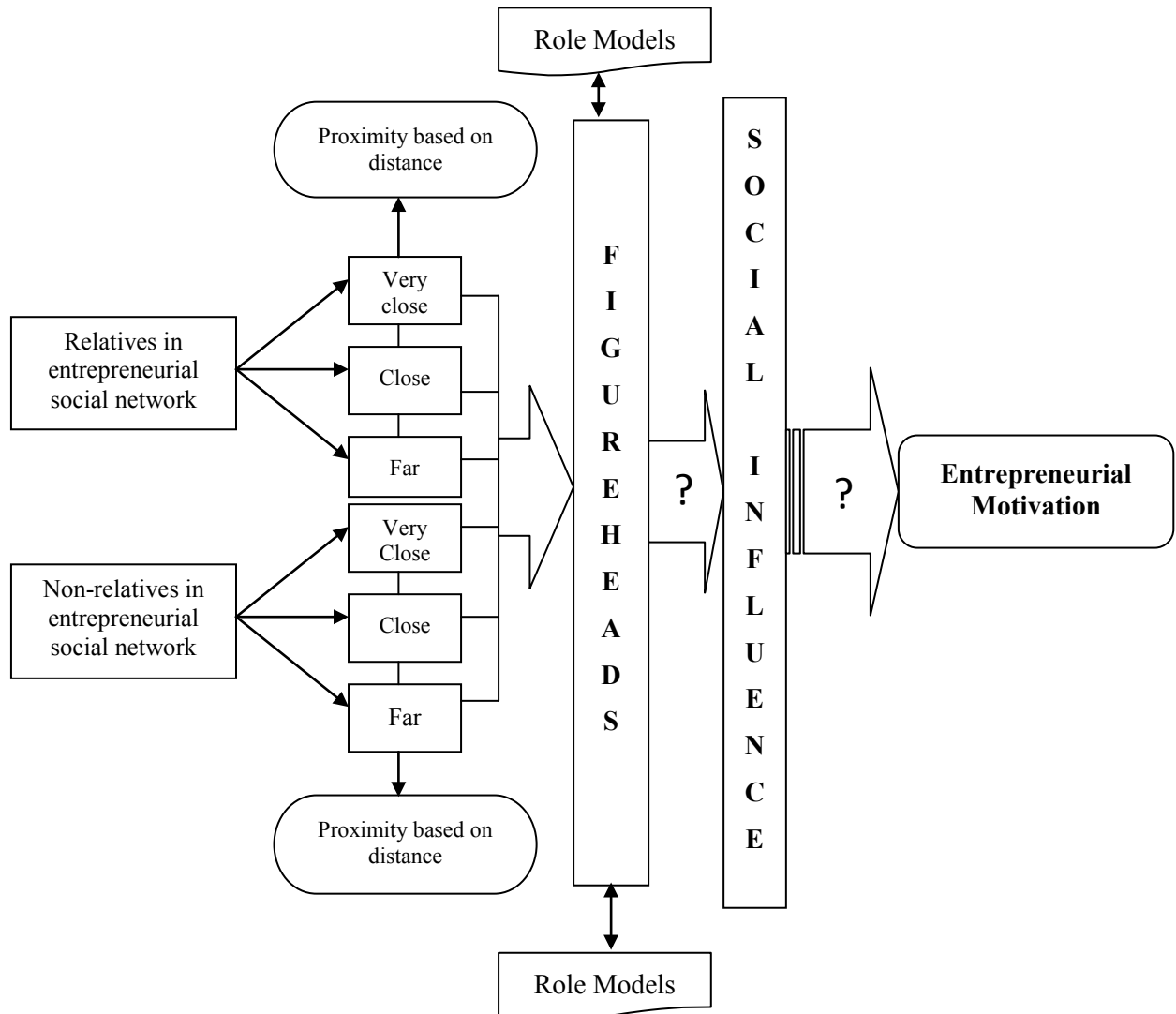
This model can also be developed based on the consideration of status and relationship between the role model and other individuals in the social network as well as the *proximity* of each role model to other individuals. Proximity here means ‘*the distance*’ of the role model to the individual. The distance (hereafter called proximity) of the role model to other individuals can be *very close*, *close* or *even further away* from one to another.

The model intends to show how flow of both ‘relatives’ and ‘non-relatives’ entrepreneurial role models, and their proximity, can influence entrepreneurial motivation. It also can be used to identify who the role models are. The research also intends to explain the process of social influence from role model that is taking place.

The development of this model was done by the researcher and was based mainly on Bandura’s Social Learning Theory (1977) and Gibson’s dimensional approach of the role model (2004).

The model is shown in Figure 5.2.

Figure 5.2  
Model on how role models influence entrepreneurial motivation  
(The Proximity Based Model)



Source: The Author, 2012

Notes: This model is derived mainly from the social learning theory (Bandurra, 1977) and the dimensional approach of the role model (Gibson, 2004)

In this model, the proximity of an entrepreneurial social network is based on the status and social relationship of the actors and their distance to the other individuals. The status and social relationship of the actors are identified as relatives or non-relatives. Based upon location, they can be close or further away from the people ('the distance').

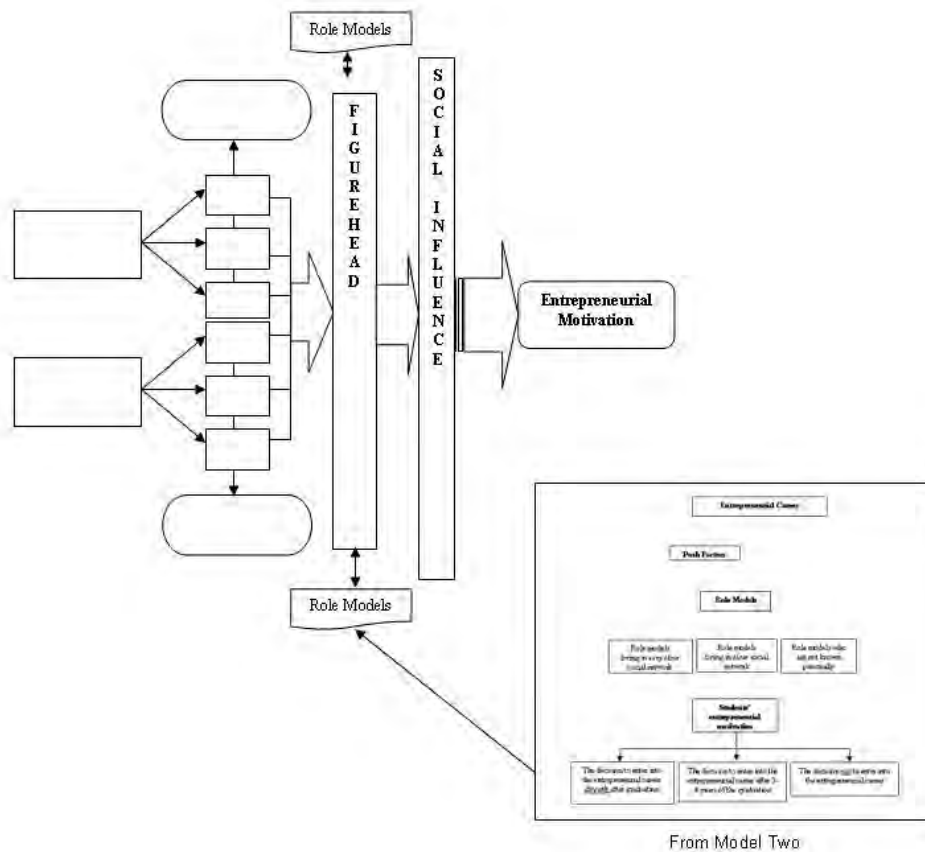
The proximity in the entrepreneurial social network of the people can create figureheads who can socially influence people to act, to imitate and follow, to think and to have personal characteristics, behaviours, styles and attributes (see Bandura's Social Learning Theory, 1977). This figure is the role model for people, who can directly or indirectly, influence people to think, motivate, act and imitate. Shapiro, Heseltine and Rowe, (1978) simply defined role models as "*individuals whose behaviours, styles and attributes are emulated by other individuals*". In the case where the figure is an entrepreneur, there is a greater tendency for them to influence the entrepreneurial motivation of other people.

### **5.5.3. The Combined Model**

This model is developed by combining the previous models (the push and pull factors based model and the proximity based model). The push and pull model is essentially concerned with the *mechanism* of how the role model process operates, and the proximity based model is related to the *relative position of role models within a wider motivational landscape*. The two models are brought together as the combined model, and this is shown in Figure 5.3:

Figure 5.3

Model on how role models influence entrepreneurial motivation  
(The Combined Model)



Source: The Author, 2012

#### 5.5.4. Role Model Constructs

Role model construct is being used intensively in the research in order to identify the actor / individual that can be possibly treated as the role model by other individuals. The construct originates from Models 1, 2 and 3 (Figures 4.1, 4.2, and 4.3) that were developed and set up previously in the research.



The construct is also considered by literatures in social learning theories and theories of a role model. In particular and to determine individuals as the role models, Ajzen's Theory of Planned Behaviour, in the part of Normative Beliefs and Subjective Forms, is used. According to Ajzen (1985 and 1991), role model constructs that have been identified are friends, parents, boyfriend / girlfriend, sibling and other family members.

The research also uses the same individuals as role models, as stated by Ajzen (1985 and 1991). The constructs are then added to other possible role models who are not family members. They are *teachers* and *entrepreneurs*. Furthermore, 'other family members' as identified by Ajzen (1985 and 1991), are determined to be more specific in this research. They are identified as *uncles* / *aunties* and other relatives (such as nephew and cousins).

Though Ajzen's constructs of role model are used, the criteria for the role models are developed under the framework as mentioned in the proximity based model. They are:

1. Role models who come from a *very close social network* of the students.

These are role models who are living in the environment very close to the students and are involved in their daily activities. The core family members (parents and siblings) are considered to be categorized in this way.

2. Role models who come from a *close social network* of the students.

These are role models who live close to the students and can be involved, or not, in their daily activities. They are aunties / uncles, friends, boyfriends / girlfriends, teachers and cousins / nephews.

3. Role models who are further away and are not known personally by the students.

These are role models who are not involved in the students' daily activities and students do not know them personally. Inspiring entrepreneurs are in this category.

The following table shows each role model's constructs based on these criteria.

Table 5.3  
Role Model Constructs Based on Its Proximity to Individuals

Role Models		
Role models in very close social network	Role models in close social network	Role models who are not known personally
Parents	Aunties and uncles	Inspiring entrepreneurs
	Friends	
Siblings (brothers and sisters)	Boyfriends and girlfriends	
	Teachers / lecturers	

To define and specify role model construct in the research, the same condition applies to all the types of role models. They themselves *should know / be aware about entrepreneurs and entrepreneurship*.

## 5.6. Population and Sample

### 5.6.1. Population

Undergraduate students of the Faculty of Economics at Andalas University in Padang, West Sumatra - Indonesia were treated as the population of the research. They were chosen as the population of the research *to avoid and minimize bias of interests* in entrepreneurship by the students. If the population of the research is the undergraduate

students from other faculties, there is a tendency that those students will appoint their role models who are engaged in business activities related to their particular study background. For example, engineering students tend to have role models from engineering alumnae or ones with an engineering background. The same can happen with students from other faculties. This will cause a bias of interest for entrepreneurship and could reduce the objectivity of results and findings of the research. Students of the Faculty of Economics are considered to have a lower bias in respect of this because their concern is presumably only with those role models who are successful in business, no matter the academic background of their role models.

Hence, the primary interest of this research is entrepreneur ‘first’ and what they ‘do’ is secondary. Entrepreneurs need not exploit their technical ability. For example, Steve Jobs was a hardware literate professional but Richard Branson has no formal background in the technicalities of music production, flying aircraft or transport logistics.

Concerning the above, the population of the research is determined based on the following criteria:

1. Must be registered / enrolled as an undergraduate student at the Faculty of Economics – Andalas University
2. No regard taken of gender
3. No regard taken of age

The researcher found that the easiest and most effective way in determining population of the research was by using *student data*, supplied by the faculty’s administrator. As the criteria of the research population, the number of enrolling students per year is used as the population.

## **5.6.2. Sample**

### **5.6.2.1. Criteria**

For the reason of effective discussion and efficiency in accessing the research population, the research uses samples as the representation of the population. The choice of samples follows criteria that were set-up before the fieldwork. These criteria being:

1. Samples are registered and enrolled as the undergraduate students at the Faculty of Economics, Andalas University.
2. Samples are at least students in the 3<sup>rd</sup> year of study (out of four years) or in the 5<sup>th</sup> semester of study (out of eight semesters in total).

This criterion is based on the notion that students should (and will) have an overview about entrepreneurship and entrepreneur. This is fundamental knowledge for further data and information that is collected. In the case of the Faculty of Economics, students are given a specific course in entrepreneurship when they are in the 3<sup>rd</sup> year of study (out of four years) or in the 5<sup>th</sup> semester of study (out of eight semesters in total). Therefore, it is reasonable to choose them as samples for the research.

3. Samples are living within entrepreneurs' social network.

This means that they have at the very least identified an entrepreneur living in their social environment. These can be parents, relatives or neighbours. Identification of this criterion was drawn from their formal student admission and personal record which asks them to identify whether they consider that there is such a person (or persons) living near to them, and to give an example.

4. Sampling was gender neutral and there is no prior preference regarding age, except the obvious expectation that most undergraduates will fall within the same young age range.

#### **5.6.2.2. Sampling Method**

The research sample was chosen on the principle of *random (probability based) sampling*. In a random (probability based) sample, samples should be identified and they know and realize that they are treated as a sample of the research by the researcher.

*Simple Random Sampling* was used where each unit of the population is selected based on the criteria of the research and purposes that were intended to be achieved in the research. Slovin's formula was used to determine the sample number.

$$n = \frac{N}{1 + Ne^2}$$

where:

n = number of samples

N = number of population

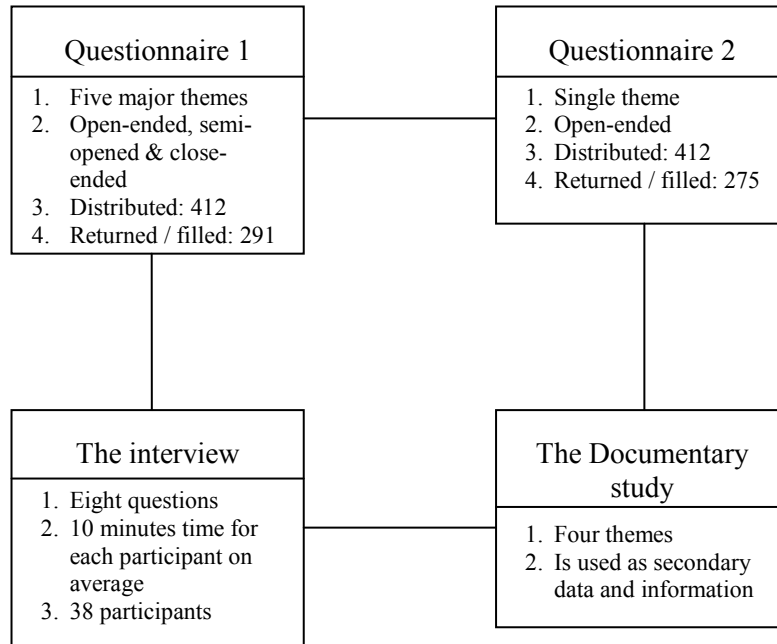
e = % of failure precision (normally 10% or 0.1)

This would suggest that a sample of 200 – 300 students would be acceptable and would be representative of the target population.

#### **5.7. Data Collection and Instrumentation**

For the purpose of the data collection, the research collected information by: (1) the Questionnaire One, (2) the questionnaire two, (3) the interview, and (4) the documentary study. This arrangement is shown in the figure below.

Figure 5.4  
Arrangement of Methods for the Data Collection



Details of each data collection and instrumentation are given below.

### 5.7.1. Data Collection

Practical fieldwork was carried out to collect *primary data* and information from the sample. For the purpose of getting primary data, data collection and gathering were completed by using *questionnaire* and *interview*.

*Secondary data* was used in the research to support the analysis, building the foundation of the research for the purpose of the conceptual background of the research and collecting possible information from written sources. This was in the form of written data from the faculty resources, literature, samples' profiles that are filed by the faculty's administrator, profiles of the university and faculty as well as other relevant

written information that relate to the topic of the research (such as government law and regulation). This secondary data was also used to confirm aspects of the primary data.

#### **5.7.1.1. The Questionnaire**

The research questionnaire consisted of two questionnaires that were disseminated to the sample as *open ended*, *semi-opened* and *close ended questionnaires* and as appropriate employed a (1-5) *Likert Scale*. As the target of the questionnaire is Indonesian students and some of whom might not speak and understand English well, the researcher decided to arrange preparation of the Questionnaire One and Questionnaire Two in two language versions: (1) English and (2) Indonesian language. The English version was set up in the first instance and then it was translated to the Indonesian language.

The English version is targeted to the students in International Classes where the courses are predominantly delivered in English. The Indonesian version of the questionnaire is targeted to the students in ordinary classes where the students cannot speak English well. The students in international classes and ordinary classes are dominated by the students from the West Sumatra Province who belong to a similar tribe (Minangkabau) and similar culture.

##### **5.7.1.1.1. The Questionnaire One**

In the first questionnaire, the students were asked to answer the questions relating to the identification of their role models, types of influence that they got from their role models, the process on how their role models can influence them and their future career plan. This questionnaire was *open-ended*, *semi-opened* and *close ended*. The questionnaire was then numbered based on the date it was collected and returned back to the researcher. The name of the students was not shown in the questionnaire.

In detail, Questionnaire One contained the main questions below:

1. Student data and background. This consists of the information on their demographics, and general questions about their study and family background. Details of these can be found in the Questionnaire One in questions part I and II.
2. Students' entrepreneurial social network (concerning relatives and non-relatives who engage in entrepreneurial activities, and have they ever been motivated by them, and how they think about their career as an entrepreneur.) These questions are found the Questionnaire One in questions part II.
3. Learning from entrepreneurs (containing what entrepreneurial characteristics can be learned from their role models and what they expect from their role models). These are part of the Questionnaire One in questions part II.
4. Students' Future Objective and Motivation to Become an Entrepreneur (containing future objectives of the students, reason to choose an entrepreneurial career, influencing parties and in the way in which they can influence them). This question is found the Questionnaire One in questions part III.
5. The exact degree of influence that has been given by the role models to the students. In this part, students were also be asked to answer the types of influence that they got from their role models, how were they influenced, how big was that influence and whether they will keep their present role models as their 'whole life role models'.



#### **5.7.1.1.2. The Questionnaire Two**

In the second questionnaire, students were asked to write their own perception and overview about entrepreneurs and / or entrepreneurship. This is used as the baseline study to get an overview about students' perception regarding the definition of entrepreneur and entrepreneurship. This questionnaire consists of only one *open ended questionnaire*.

#### **5.7.1.2. The Interview**

Interviews of the students were done as part of the data collection and were used to support information that was collected through questionnaires. As planned, 38 students were interviewed and the interview was specifically aimed at the students majoring in Entrepreneurship in the Department of Management of the faculty. The process of choosing the sample was based on the conviction of the researcher that they were able to answer all of the questions mentioned in the interview list.

Thietart et al. (2001) stated that “the interview is a technique aimed at collecting, for later analysis, discursive data that reflects the conscious and unconscious mind-set of individual interviewees”. The main objective of this interview was to get a direct reflection from the students majoring in entrepreneurship regarding their motivation to become an entrepreneur, their role model and their future plans and career.

According to Moleong (2005) and Patton (1990), there are three interview techniques that can be chosen:

1. The informal conversational interview

In this type of interview, questions depend fully on the interviewer and their spontaneity in describing the questions.

2. The general interview guide approach

In this approach, the interview is based on the framework that is described but adjusting to the circumstance of the respondents.

3. The standardized open-ended interview

In this type of interview a fully standardized interview list would be used. The aim to avoid bias in the interview.

This research used the standardized open-ended interview by employing an interview list to gather information from respondents.

#### **5.7.1.3. The Documentary Study**

This study was mainly done to back-up the other two data collection methods. It was used to get other written related data and information that could not be covered by the other two data collection methods. Data and information exposed in Chapter II (Information about Research Location) is an example of documentary study that had been undertaken in the research. Sources consulted and used were, for example:

1. Indonesian Law No. 9 Year 1995 about Small Scale Business
2. Indonesian Presidential Instruction No. 10 Year 1999 about Medium Scale Business
3. Indonesian Law No. 20 Year 2008 about Micro, Small and Medium Scale Business in Indonesia
4. Student data held by the Faculty of Economics – Andalas University.

The documentary study was assembled by collecting copies of written data and information. These were then analysed and discussed in the appropriate parts of this thesis.

### **5.7.2. Data Instrumentation**

#### **5.7.2.1. The Questionnaire One**

Questionnaire One that was disseminated during the fieldwork was mainly in the form of *semi opened* and *close ended questions*, with some parts using a (1-5) *Likert Scale*.

In the *close-ended question*, the students were asked to answer a limited fixed set of responses. Most scales are close-ended. *The close-ended questions* that were used in the research are in the following forms:

- a. Yes / no questions – the students were only asked to answer yes or no to the given questions
- b. Multiple choice questions – the students were asked to answer one choice from several options of answers.
- c. Scaled questions, which are normally known as the *Likert Scale*. In the scaled questions, the students were asked to respond to a choice of answers. These were then graded on a particular continuum. In this research, the continuum is stated from 1-5.

In *semi-opened questions* the students were required to answer from several possible sets of responses. If they thought that they had any other possible answers, opinions and an overview that are not covered by those possible set of responses, then they were free to answer this by adding the information on specific *narrations*.

As sub-section 5.6.1.1, the questionnaires were arranged in two versions; (1) English version and (2) Indonesian language version. This was done to anticipate and accommodate students who were in the international class (English version) and ordinary classes (Indonesian language version) in giving their answers to the questionnaires. The English version of Questionnaire One is shown in Appendix 9.

#### **5.7.2.2. The Questionnaire Two**

Questionnaire Two of the research was purely set up as an *open ended question* and it just contained a single question. In the *open ended question* there will be no options or predefined categories are suggested. The students supply their own answers without being constrained by a fixed set of possible responses and they are free to answer the question based on their opinion and overview.

Questionnaire Two of the research functioned as *the baseline study* to measure the knowledge of the students regarding the meaning of the notion of the entrepreneur. This was then used to analyse students' understanding regarding entrepreneurs. The English version of Questionnaire Two is shown in Appendix Ten.

#### **5.7.2.3. The Interview**

Interviews were carried out with 38 students majoring in Entrepreneurship at the Department of Management of the Faculty of Economics, Andalas University. Students were invited to attend face to face conversations with the researcher at the researcher's office and with full discretion to answer the questions. An interview was arranged in an informal way so that students could relax and enjoy the experience. As some of the students could not speak fluent conversational English, and to avoid misunderstanding

regarding questions, the interview was largely carried out in the Indonesian language. However, the researcher had arranged an English interview guide for his use.

The interview was aimed at getting insights from students majoring in Entrepreneurship regarding their reasons for choosing the major, their entrepreneurial figureheads, the possible person that they think can guide them in entrepreneurship and formal and informal learning experiences in their major. Insights for the students were then bundled, analysed and summarized.

The interview framework is shown in Appendix Eleven.

## **5.8. Research Variables**

### **5.8.1. Dependent Variables**

Dependent variables are variables which are observed in the research that can be influenced because of the relationship with independent variables. The dependent variable in this research is entrepreneurial motivation of the students. This can be further detailed as *changing opinion and attitude toward entrepreneurship* by the students.

The parameters for dependent variables that will be measured are as follow:

1. Students overviews regarding entrepreneurship
2. Students behaviour towards entrepreneurship
3. Students motivation to become an entrepreneur

The parameters of these dependent variables were measured by using a *(1-5) Likert scale*.

### **5.8.2. Independent variables**

Independent variables are variables which are observed in the research that can influence and change relationship of dependent variables. In this research, the independent variable is identified as *the existence of the successful entrepreneurial role models*. Role models who are chosen in this research should fill criteria of role models in the dimensional approach of the role models (cognitive and structural dimensions) as suggested by Gibson (2004).

### **5.8.3. Parameters of Influence**

The influence of the role models is the most significant issue that will be found in the research. Parameters for the influence for the availability of entrepreneurial role models to the students are identified as follows:

1. The power of the role models
2. Role models' suggestions to become entrepreneurs
3. Role models' inspiring success stories

## **5.9. Data Analysis**

### **Introduction**

Data analysis was carried out based on the relationship of variables that were identified in the research. As the nature of the research was to find the influence of the independent to dependent variables, the relationship of variables was identified as the *causal relationship*. In this type of analysis, there are three possible relationships that can happen between two of a phenomenon's variables (Davis, 1985), of which the first two are the causal and other one is simple association.

The first possibility is *simple causal relationship* between two variables, where an independent variable (Y) influences the dependent (X). This can simply show as below:

$$X = f(Y)$$

The second possibility is a *reciprocal influence* between two variables, where both of variables are influencing each other. Statistically, this can be shown as below:

$$X \Rightarrow Y \Rightarrow X$$

or can be written as

$$X = f(Y) \text{ and } Y = f(X)$$

The third possible relationship in a causal relationship is a *simple association* between two variables. As it shows the simple association, it is not possible to determine which causes the other. This is shown below:

$$X \Leftrightarrow Y, \text{ where } X \text{ relates to } Y \text{ and in turn, } Y \text{ relates to } X$$

This research uses the causal relationship as the basis for its analysis. Therefore, the first possibility of analysis in causal relationships (*simple causal relationship*) is used in the research. From the choice of this relationship, further methods of analysis were developed in detail.

### **5.9.1. Method of the Analysis**

The research uses two methods for data analysis; quantitative and qualitative methods. The quantitative analysis method is the main focus of the research because it analysed the relationship between variables from a quantitative point of view. However, the use of the qualitative method was also done to support the analysis.

#### 5.9.1.1. Quantitative Method

Data analysis in the research is mainly using the *quantitative method*. The quantitative method possesses the ability to generate an analysis and explanation to describe and examine the relationship of the variables; in particular a cause and effect relationship. As its precondition, the quantitative method needs the combination of knowledge and hypotheses drawn from the conceptual foundation, data and information. Since this research is trying to identify and explain a *causal relationship* between its research variables and using hypotheses to explain the variables, then the quantitative method is viewed as an appropriate method of analysis.

Statistical analysis supports the quantitative method used in the research in order to analyse data and information that have been collected in Questionnaire One and to find a causal relationship between variables. Two statistical tools are used to analyse answers from the samples and Questionnaire One:

1. *Descriptive statistic*, which was used to verify data and information.
2. *Correlation Analysis*, to find a causal relationship of research variables.

The use of statistical software - SPSS 15.0 and later, PASW 18.0 supported the analysis of the research.

#### 5.9.1.2. Qualitative Method

The research also used the *qualitative method* to support its data analysis. In this method, the researcher uses the result of *interview* and *observation* as the basis for analysis. Practically, it was used to analyse results and findings from the interview



carried out with the students and the answers to Questionnaire Two (the baseline study about entrepreneur).

For Questionnaire Two, the researcher undertook the following procedure:

- a. Raw data and information were collected through the questionnaire, where respondents were asked to answer an open ended question regarding their opinion about the meaning / definition of entrepreneur
- b. This data and information were then classified and interpreted by the researcher.
- c. Classified and interpreted data and information were then compared to the research and studies regarding the definitions of an entrepreneur offered by academics.
- d. The researcher then classified the answers into several categories based on the classified – interpreted data and opinion from scholars. The literature regarding definition of entrepreneur was the main resource for the researcher.
- e. From there, the researcher made a summary of the answers from samples and relates the answers to the definition of entrepreneur from scholars.

For the interview with the 38 students majoring in Entrepreneurship, the researcher undertook the following procedures;

- a. Invited students from the main sample to attend the interview.
- b. Held an interview. The interview was carried out in as relaxed and informal way as possible. Samples were asked to visit the researcher at his office and the conversation was held together with 3-5 students per occasion. The researcher asked the questions based on the interview list that he had prepared.

- c. During the interview and conversation, the researcher made notes of answers to the questions. Notes were made in points so that unnecessary expressions could be eliminated directly.
- d. The noted answers were then analysed by taking means of each answer from the respondents.
- e. From there, the researcher developed a simple interview transcript from the sample.
- f. This transcript was then used to get insights from sample regarding the points from the interviews.

The results of the qualitative analysis of Questionnaire Two and the interviews were then used as a source to support the research.

### 5.9.2. Statistical Model and Equation

Based on the causal relationship that was identified and as part of the quantitative method that was used, the research uses the main idea of the following statistical model and equation:

$$\mathbf{EM} = f(\mathbf{RM}) \text{ where:}$$

EM = Entrepreneurial motivation

RM = Role Model

The statistical model can simply be described as the entrepreneurial motivation which is influenced by the role model. This is in line with the choice of data analysis in the research which is a *simple causal relationship* between two variables, where an independent variable (Y) influences the dependent (X), as shown below.

$$X \Rightarrow Y$$

or

$$X = f(Y)$$

With regards to the model, Y represents role model (RM) and X represents entrepreneurial motivation of the students (EM).

#### **5.10. Integration of the Methodology**

This section shows the flow and integration between research questions and intentions, hypotheses, the section of the questionnaire that was used to get the information, and literature reviews that were used as the basis and background of the research. This section is an effort to describe the detailed methodology that was done during the research. Integration of the methodology in this research is shown in the following table.

Table 5.4  
Integration and Flow of Research Methodology

No	Questions (Q) and Intentions (I) of the Research	Hypotheses	Section of the Questionnaire to Back Up the Hypotheses	Literature Review as the Basis
1.	<p>Q: How role models can influence entrepreneurial motivation?</p> <p>I: To identify roles of role model to the students</p> <p>I: To use as the basis to develop model relating role model – mechanism and process of influence – entrepreneurial motivation</p>	<p>Hypotheses H.1. Role models influence entrepreneurial motivation by changing opinion and attitude towards entrepreneurship</p>	<p>Q1 Section III.5 Q1 Section IV.7</p>	<ol style="list-style-type: none"> <li>1. The stage model of entrepreneurial process</li> <li>2. The theory of role model</li> <li>3. The theory of entrepreneurial motivation</li> <li>4. Role models, social network and impacts to attitude</li> <li>5. Undermine inspiration by role models</li> <li>6. Push and pull factors of entrepreneurship</li> <li>7. The study of attitude</li> <li>8. Processes of opinion change</li> </ol> <p><b>Related scholars:</b></p> <ol style="list-style-type: none"> <li>1. Lafuente et.al. (2007)</li> <li>2. Zagencyk (2005)</li> <li>3. Gibson (2004)</li> <li>4. Shane et al. (2003)</li> <li>5. Lockwood and Kunda (1999)</li> <li>6. Krumboltz (1996)</li> <li>7. Gilad and Levine (1986)</li> <li>8. Erikson (1985)</li> <li>9. Katz (1960)</li> <li>10. Kelman (1961)</li> </ol>

2.	<p>Q : What is the entrepreneurial social network of the research samples</p> <p>I: To identify entrepreneurial social network of the samples</p>	N / A	<p>Q1 Section II.2 Q1 Section II.4 Q1 Section II.5 Q1 Section II.6 Q1 Section II.10 Q1 Section II.11</p>	<ol style="list-style-type: none"> <li>1. Social network and interactions in entrepreneurship</li> <li>2. Theory of role model</li> <li>3. Theory of social learning</li> </ol> <p><b>Related scholars:</b></p> <ol style="list-style-type: none"> <li>1. Klyver and Schoett (2011)</li> <li>2. Gibson (2004)</li> <li>3. Bandura (1977)</li> <li>4. Granovetter (1973)</li> </ol>
3.	<p>Q: Which role models will most influence? and why?</p> <p>I: To determine which category of social network is the most significant to give influence</p>	<p>Hypotheses H.3.1 People within <i>very close social network</i> is considered important and relevant to influence</p>	<p>Q1 Section II.4 Q1 Section II.5 Q1 Section II.6 Q1 Section IV.1 Q1 Section IV.3 Q1 Section IV.6</p>	<ol style="list-style-type: none"> <li>1. Parental role model in entrepreneurial spirit</li> <li>2. Triggers of entrepreneurship</li> <li>3. Gender differences in entrepreneurial start up</li> <li>4. Impact of family background on entrepreneurship</li> <li>5. Gender interest on small firms</li> </ol> <p><b>Related scholars:</b></p> <ol style="list-style-type: none"> <li>1. Kirkwood (2005)</li> <li>2. Morrison (2000)</li> <li>3. Mallele and McGuinness (1999)</li> <li>4. Matthew and Mosser (1996)</li> </ol>

4.	<p>Related to No. 2, who are they specifically? and why?</p> <p>I: To determine possible construct that gives most significant influence</p> <p>I: To identify reasons for treating an individual as a role model</p> <p>I: To support development of the research model</p>	<p>Hypotheses H.3.2. Parents have the most significant influence</p>	<p>Q1 Section II.2 Q1 Section II.7 Q1 Section III.4 Q1 Section III.8 Q1 Section IV.1 Q1 Section IV.2</p>	<ol style="list-style-type: none"> <li>1. Parental role model.</li> <li>2. Closure vs. exposure mechanisms in the intergenerational transmission of self-employment.</li> <li>3. Gendered nature of role model status.</li> <li>4. Financial, human capital and the transition to self-employment.</li> <li>5. Men's and women's role models.</li> <li>6. Parents, high potential start-up and entrepreneurship.</li> <li>7. Parents' work, insecurity and children's work beliefs and attitudes.</li> </ol> <p><b>Related scholars:</b></p> <ol style="list-style-type: none"> <li>1. Mungai and Velamuri (2009)</li> <li>2. Sorensen (2007)</li> <li>3. Murrell and Zagencyk (2006)</li> <li>4. Niitykangas and Tervo (2005)</li> <li>5. Taylor (2001)</li> <li>6. Dunn and Holtz-Eakin (2000)</li> <li>7. Gibson and Cordova (1999)</li> <li>8. Barling, Dupre and Hepburn (1998)</li> <li>9. Bygrave (1995)</li> <li>10. Dyer (1994)</li> <li>11. Carroll and Mosakowsky(1987)</li> <li>12. Speizer (1981)</li> </ol>
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5.	<p>Q: How and what mechanism can be most influence</p> <p>I: To determine, mechanism that takes place when role model influencing students</p> <p>I: To support the development of the research model</p>	<p>Hypotheses H.2. Closure mechanism is the most common mechanism</p>	<p>Q1 Section II.7 Q1 Section II.8 Q1 Section II.9 Q1 Section IV.2 Q1 Section IV.4 Q1 Section IV.5 Q1 Section IV.6</p>	<ol style="list-style-type: none"> <li>1. Closure vs. exposure mechanisms in the intergenerational transmission of self-employment.</li> <li>2. Career dynamics of self-employment.</li> </ol> <p><b>Related scholars:</b></p> <ol style="list-style-type: none"> <li>1. Sorensen (2007)</li> <li>2. Carroll and Mosakowsky (1987)</li> </ol>
6.	<p>Q: Who is the entrepreneur and what is entrepreneurship?</p> <p>I: To get insights regarding entrepreneurs and entrepreneurship from the students</p> <p>I: To assess students understanding regarding the themes</p>	<p>As baseline study and data</p>	<p>Q2 Q1 Section II.1 Q1 Section II.11</p>	<ol style="list-style-type: none"> <li>1. Measurement of entrepreneurship.</li> <li>2. Conceptual frameworks and empirical indicators of entrepreneurship.</li> <li>3. Framework in addressing and measuring entrepreneurship.</li> <li>4. The means of entrepreneurship.</li> <li>5. Basic theory of entrepreneurship and entrepreneurs.</li> </ol> <p><b>Related scholars:</b></p> <ol style="list-style-type: none"> <li>1. Kukoc and Regan (2008)</li> <li>2. Godin et.al. (2008)</li> <li>3. Ahmad and Hoffman (2007)</li> <li>4. Hisrich et al. (2005)</li> <li>5. Audretsch (1995, 2003)</li> <li>6. Carton, Hofer and Meeks (1998)</li> <li>7. Stevenson and Sahlman (1991)</li> <li>8. Stevenson and Jarillo (1990)</li> <li>9. Hébert and Link (1989)</li> <li>10. Drucker (1986)</li> <li>11. Schumpeter (1934)</li> </ol>

7.	<p>Q: What are the learning experiences by observing entrepreneurs?</p> <p>I: Perceived and expected condition from entrepreneurial learning by observing entrepreneurs in the social network</p>	Related to H.1 and H.2	<p>Q1 Section II.12</p> <p>Q1 Section II.13</p>	<p>1. Entrepreneurial learning</p> <p>2. Entrepreneurship education</p> <p><b>Related scholars:</b></p> <p>1. Falavarjani et al. (2012)</p> <p>2. Kuckertz (2011)</p> <p>3. Mwasalwiba (2010)</p> <p>4. Lourenco and Jones (2006)</p> <p>5. Edwards and Muir (2004)</p> <p>6. Kirby (2002)</p> <p>7. Rae (1997, 1999)</p> <p>8. Gibbs (1987)</p>
8.	<p>Q: Who are the samples / respondents of the research</p> <p>I: Identify samples as the main subject of the research</p>	As baseline data	<p>Q1 Section I.1,2,3, and 4</p> <p>Q1 Section II.3</p> <p>Q2</p>	<p>1. Samples criteria</p> <p>2. Fieldwork</p>
9.	<p>Q: How is student entrepreneurial motivation for start-up?</p> <p>I: To get insights regarding future career objectives and motivation to start up from the students</p>	Related to H.1	<p>Q1 Section III.1</p> <p>Q1 Section III.2</p> <p>Q1 Section III.3</p> <p>Q1 Section III.6</p> <p>Q1 Section III.7</p> <p>Q1 Section III.9</p>	<p>1. Entrepreneurial motivation.</p> <p>2. Opportunity and necessity based entrepreneurship.</p> <p>3. Pull and push factors in entrepreneurship.</p> <p>4. Business start-up success factors.</p> <p>5. Career dynamics of self-employment.</p> <p><b>Related scholars:</b></p> <p>1. Shane et al. (2003)</p> <p>2. Reynolds et al (2001)</p> <p>3. Shane and Venkataraman (2000)</p> <p>4. Frese and De Kruiff (2000)</p> <p>5. Tellegen (1997)</p> <p>6. Gilad and Levine (1986)</p>



## Summary

The research identifies questions that need to be answered and found through the fieldwork. The main research question of the research related to the existence of role models and their relationship to students' entrepreneurial motivation. From the research questions, the hypotheses of the research were then constructed. There are two research questions that were identified in the research and there are three main hypotheses that were developed to answer them.

The philosophy of this research was based on the consideration that it puts its position as realism (ontology of the research), positivist (epistemology of the research) and has nomothetic methodology. Therefore, the paradigm of the research was based on the functionalist paradigm in which its theory building was based on causal analysis.

For guidance and to frame the research models were used to explain and guide the way the research would precede. Two models, that both had been developed by the researcher, were used in the research, both based on the main literature and theoretical foundations relevant to the research topic. These models were the push and pull factors based model and the proximity based model. The push and pull factors based model can show the existence of a role model as of one of the factors for people in choosing an entrepreneurial career. Meanwhile, the proximity based model can show the status / dimension of each role model based on its status and distance to other individuals. From both models, the role model construct was then developed with the intention to be used in the research.

Undergraduate students are the research sample. From the consideration of access and other technical considerations in the fieldwork, the researcher chose undergraduate

students at the Faculty of Economics at Andalas University as the research population. Several criteria were then determined to choose suitable students to become samples for the research. These criteria were used jointly with the sampling method of the research which was simple random sampling.

Data collection was done through the questionnaires and interview. The questionnaires consisted of two questionnaires. The first questionnaire was the core questionnaire about the role model and the other was the questionnaire about student perception of entrepreneurs. The first questionnaire intended to find students' overview and perception about role models and their relationship to entrepreneurial motivation, while the second acted as the baseline study to form an overview about students' perception regarding entrepreneurs and entrepreneurship. The questionnaires were disseminated to the students of the Faculty of Economics of Andalas University. Interviews were also used to support data collection in the research. They were undertaken specifically with the students majoring in entrepreneurship at the Department of Management of the Faculty. They aimed to get further information regarding the motivation of the students majoring in entrepreneurship to become an entrepreneur. They were chosen for this stage as they might be considered to have been the most knowledgeable students concerning entrepreneurship and the role it could play in the curriculum.

The research identified its research variables, which were divided into dependent and independent variables. The main purpose of the research was to explain the influence of role models on students' entrepreneurial motivation. Therefore, it stated the existence of a role model as its independent variable and students' entrepreneurial motivation as its dependent variable. From these variables, the research then stated the parameters of role model influence that were used for further analysis in the research.

Data and information that had been collected in the fieldwork through questionnaires and interviews were then analysed by using quantitative method and qualitative method. Questionnaires were mainly analysed by using the quantitative method in forms of descriptive statistic and regression analysis, where a statistical programme (SPSS) was used to analyse the data. Interviews were analysed with a qualitative method in which a summary of students' answers in the interview was used to get the information. The result of the interview was first read and then categorized to get to the summary. Both methods of analysis were then used in the research to organise data and gain insights.

## **VI. Research Results and Findings**

### **Introduction**

This chapter disseminates and discusses the results and findings of the research based on the fieldwork that had been completed. It consists of sub-sections which give a detailed explanation and exposition about the results and findings. It starts with sub-sections containing a discussion of the population and sample; baseline information from students regarding their overview about entrepreneurs; student entrepreneurial social networks; the best things that the students can learn by observing entrepreneurs; and students who are planning to take up an entrepreneurial career. The term entrepreneurial career can be found in various entrepreneurship literatures. For example, Kuckertz (2011) uses the term entrepreneurial career when he stated the needs to educate individuals to become entrepreneurs and change their mind-set and perception, so that they perceive an entrepreneurial career as something attractive. The recent study of Beeka and Rimmington (2011) also states the notion of an entrepreneurial career in situations where there is a high level unemployment. Both these studies viewed an entrepreneurial career as a possible choice of careers that can be chosen by individuals for their future life.

It is followed by sub-sections containing a discussion related to student identification of the influences on becoming an entrepreneur; identification of their role models and influence; and is supported with a correlation analysis between each construct of a role model and student entrepreneurial motivation. This chapter concludes with a summary of the results and findings.

The main part of this chapter consists of the identification of a role model, its influence and statistical analysis using correlation analysis to show the relationship of each role model construct to students' entrepreneurial motivation.

Tables, charts, statistical tools (descriptive statistics, cross tabulation, correlation coefficients) and narrative explanation on tables, charts and statistical tools are used in this chapter to explain and discuss the results and findings. Each sub-section is also supported with a summary.

## **6.1. Population and Sample**

### **6.1.1. Population**

Students of the Faculty of Economics, Andalas University in Padang, West Sumatra - Indonesia were chosen as the population for this research (as the researcher is working for this institution as a permanent lecturer teaching entrepreneurship). Using the criteria for the population stated in Chapter IV, the number of students in the faculty during the Academic Year 2004 / 2005 until 2007 / 2008 is shown below. The sample was drawn in 2009 and these were the latest figures available at the time.

Table 6.1  
The Faculty of Economics, Andalas University – Student Population in Bachelor Programmes  
Academic Year 2004 / 2005 to 2007 / 2008  
(in people)

No	Department	2004 / 2005			2005 / 2006			2006 / 2007			2007 / 2008		
		M	F	T	M	F	T	M	F	T	M	F	T
1	Economics	113	86	199	172	145	317	253	248	501	305	299	604
2	Management	320	236	586	415	350	765	544	476	1020	601	526	1127
3	Accounting	209	422	631	270	564	834	355	746	1101	415	797	1211
<b>Total</b>		<b>642</b>	<b>744</b>	<b>1416</b>	<b>857</b>	<b>1059</b>	<b>1916</b>	<b>1152</b>	<b>1470</b>	<b>2612</b>	<b>1325</b>	<b>1622</b>	<b>2847</b>

Source: Academics Department of the Faculty of Economics, Andalas University

- M = Male
- F = Female
- T = Total

### 6.1.2. Sample

The sample of the research was students at the Department Management of the Faculty of Economics – Andalas University in Padang West Sumatra. As a reminder, the sample criteria were:

1. The sample is in the undergraduate / bachelor study.
2. Samples should be at least in the 3<sup>rd</sup> year of study or in the 5<sup>th</sup> semester of study (from four years or eight semesters in total). This is based on the consideration that they have got suitable knowledge regarding entrepreneurship that they got from an entrepreneurship course and possibly, have stated their future objective / career
3. Samples should be living in an entrepreneurs' social network.
4. The sample was not stratified by gender or age.

Both questionnaires one and two were distributed to 412 students out of the enrolled faculty in the academic year 2008 / 2009. These 412 were drawn from a population of around 2000 students. The ‘excluded’ students were those who did not meet the criterion regarding ‘entrepreneurs living within social network’ of the student. Table 6.1 shows all students at the faculty but this research only considered later year 3 students. Hence, the research is using two thousand students, not the two thousand eight hundred and forty seven students.

Two hundred and ninety one responses were received. Of these, 162 were female and 129 were male students. All students completed both questionnaires with the exception of 13 males and 2 females who did not complete questionnaire two.

### **6.1.3. Sample Profiles**

The sample profiles consist of gender information, their age and occupation of the parents. These three parameters (gender, age and parents occupation) are being reported in order to give the demographics and social background of the students.

#### **6.1.3.1. Gender**

Table 4.2 shows the number and percentage of students who took part in the research based on their gender. These are counted by using two methods; (1) the distributed questionnaires and (2) questionnaires that had been filled and returned by the students. There was no preference to distinguish female and male samples in this research. Male and female students had an equal chance of being selected as the research did not intend to consider gender specifically. An equal chance was given to both male and female students so as to avoid a gender bias when the students were asked to identify their role

model and to measure influence of each role model construct on their entrepreneurial motivation. For example, female students could appoint other female constructs as their role model and so could the male students. Therefore, the discussion of gender in all parts of the chapter is only considered for information and exposition regarding the sample.

Table 6.2  
Sample Profile Based on Gender and Distributed-Returned Questionnaires  
(in people)

No	Type of Questionnaires	Distributed Questionnaires		Returned Questionnaires	
		Male	Female	Male	Female
1	Questionnaire 1	218	194	129	162
	Percentage	52.91	47.09	59.17	82.99
2	Questionnaire 2	218	194	116	159
	Percentage	52.91	47.09	53.21	81.96
	<b>Total Questionnaire 1</b>	<b>412</b>		<b>291</b>	
	<b>Percentage Questionnaire 1</b>	<b>100</b>		<b>70.63</b>	
	<b>Total Questionnaire 2</b>	<b>412</b>		<b>275</b>	
	<b>Percentage Questionnaire 2</b>	<b>100</b>		<b>94.50</b>	

The response rate of male students in filling and returning both questionnaires was lower than for female students. There was no further investigation done by the researcher as to the difference in response rate, as this is not the primary focus of the research.

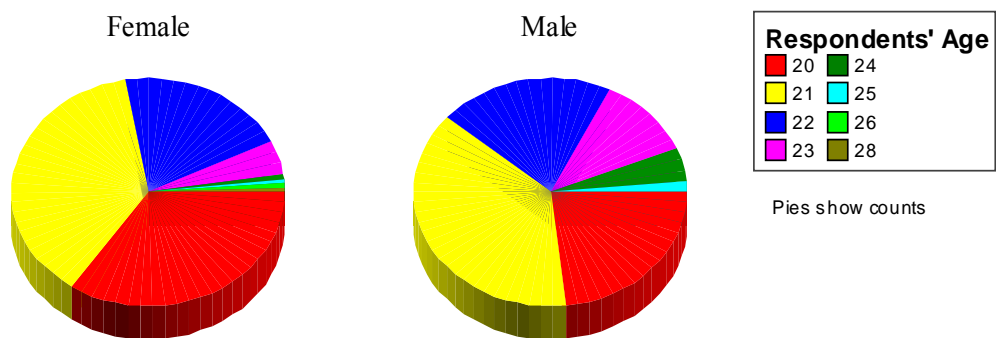
The research used Questionnaire one as the main basis for further analysis. Questionnaire Two was treated only as the baseline questionnaire to test the overview, knowledge and opinion of students about entrepreneurs and entrepreneurship. This was



intended to draw out insights on how much the students know about entrepreneurs and entrepreneurship and what is their opinion about entrepreneurs.

### 6.1.3.2. Age and Gender

As was mentioned, there were 291 students who took part in the research, filled and returned the Q1. Their age ranged from 20 – 28 years old. These are shown in the following diagram.



The diagram shows that the biggest numbers of the sample either female or male are aged 21. Especially in female samples, the number of 21 years old samples is relatively equal with 20 years old samples. The lowest number of samples is in the age of 25 and above.

The cross tabulation of age and gender is shown below.

Table 6.3  
Samples' Profile Based on Age and Gender  
(in people)

No	Age	Female	Male	Total	Percentage
1	20	56	30	86	29.55
2	21	61	49	<b>110</b>	<b>37.80</b>
3	22	33	27	60	20.62
4	23	8	15	23	7.91
5	24	1	6	7	2.41
6	25	1	2	3	1.03
7	26	1	0	1	0.34
8	28	1	0	1	0.34
<b>Total</b>		<b>162</b>	<b>129</b>	<b>291</b>	<b>100</b>

We can see from the age of the respondents that most of them are students aged 21 (110 out of 291 or 37.80%). The lowest participation was by students in the ages of 26 and 28 (only one student). This identification is important as the age of the students is expected to have a direct relationship with their semester / year of study. As mentioned previously, this research used at least 5<sup>th</sup> semester or 3<sup>rd</sup> year students as its sample.

#### 6.1.3.3. Age and Year of Study

The research found that samples are the students in year 3, 4 and 5 with ages ranging from 20-28 years old. Most of the samples are in the age 21 and in year 3 of their studies (100 students) while the smallest numbers are those who are in the age of 26 and 28. Table 6.4 shows the detailed cross tabulation of the samples' age and years of study.

Table 6.4  
Samples' Profile Based on Age and Year of Study  
(in people)

No	Range of Age	Year 3	Year 4	Year 5	Total
1	20	85	1	0	86
2	21	<b>100</b>	<b>10</b>	<b>0</b>	<b>110</b>
3	22	13	46	1	60
4	23	0	19	4	23
5	24	0	2	5	7
6	25	0	0	3	3
7	26	0	0	1	1
8	28	1	0	0	1
<b>Total</b>		<b>199</b>	<b>78</b>	<b>14</b>	<b>291</b>

The table shows that the sample consists mostly of students' aged 21 years old and studying in Year 3. If we look closely at the students' year of study, it can be seen that most of the sample are year 3 students (199 out of 291) and this is around 68%. This is followed by the students in year 4 (78 students = 26.8%) and those who are in year 5 (14 students = 4.8%). Taking this information into account, it can be concluded that samples' year of study varies between years 3 and 5 and therefore, these have filled the criteria for term of study (at least 5<sup>th</sup> semester or 3<sup>rd</sup> year students).

#### 6.1.3.4. Parents' Occupation

A semi-open question (question in part II.3 in Questionnaire One) was used to identify the occupation of the parents. Students were given several possible choices of parental occupation. To anticipate another occupation that was not accommodated in the set of

possible answers, students were asked to write the occupation of their parents in *others* (please specify).

Several possible choices of occupation that were set up in the Questionnaire One in part II.3 were:

1. Government officer
2. Entrepreneurs
3. Working in private institutions
4. Professionals

From the completed Questionnaire One, parent occupations of the samples were as follows:

Table 6.5  
Sample Profiles Based on Parents' Occupation  
(in people)

Respondent Age	Parents' Occupation					Total
	Entrepreneurs	Government Employee	Others	Professionals	Private Sector Employee	
20	17	46	6	4	13	86
<b>21</b>	<b>30</b>	<b>58</b>	<b>6</b>	<b>5</b>	<b>11</b>	<b>110</b>
22	11	35	4	2	8	60
23	6	12	1	0	4	23
24	2	2	0	0	3	7
25	0	3	0	0	0	3
26	0	0	0	0	1	1
28	1	0	0	0	0	1
Total	67	156	17	11	40	291

It can be seen from the table above that most of the respondents' parents are government employees (156 out of 291 respondents), followed by entrepreneurs (67 students), private sector employees (40 students) and professionals (11 students). Students who

chose others (*please specify*): ..... recognized their parents' occupation mostly as policemen, soldiers or farmers.

#### **6.1.4. Sample for the Interview**

52 students from within the sample were invited to attend an interview. Thirty eight of them attended the interview and they were students majoring in Entrepreneurship in the Department of Management of the Faculty. Again, regardless of gender, an interview list had been prepared and they were free to answer all the questions that they felt appropriate. There were eight questions in the interview which were related particularly to their motivations when choosing entrepreneurship as the major; their desire and intention when they chose the major; their personal role model, and the reasons why they chose to appoint a role model. Answers from students were then noted by the researcher and analysed.

#### **6.1.5. Summary**

The research was careful to choose a sample based on well stated criteria. This was to avoid bias from taking an inappropriate sample. To summarize and recap, the research sample filled all the criteria as stated previously.

1. All of the samples were students who are studying for a bachelor degree.
2. The sample was not analysed by gender.
3. The sample was at least in Year 3. This was to reduce the possibility that the students do not know about entrepreneurship and/or the entrepreneur. It is believed that 'not-knowing' about entrepreneurship and/or entrepreneurs could bring about misleading results. Samples of at least Year 3 students were chosen

because academically they have a sound overview about entrepreneurship and entrepreneurs. This will make them become more reliable commentators and participants, given the nature and objectives of this research.

4. There are two samples used in the research; (1) those that completed the questionnaires and (2) those who attended the interview.
5. The first sample (those who completed the questionnaire) was 291 students and the second one (those who attended the interview) was 38 students.
6. 23% (actually 23.02%) of the students had parents who were entrepreneurs. The rest of the sample (224 students) was living in an entrepreneurial social network. For the purpose of this research that means that the students are living in a social environment where they can find entrepreneurs. These entrepreneurs can be their relatives or non-relatives.

## **6.2. Baseline Overviews Regarding Entrepreneurs**

### **Introduction**

As mentioned in the previous chapters, the data collection instrument of the research consists of two questionnaires. The first (Questionnaire One) is the main questionnaire, and the second (Questionnaire Two) is treated as the baseline questionnaire to get information from students regarding their opinion and overview about entrepreneurs and entrepreneurship in their own words. In Questionnaire Two, students were asked an *open ended question* and they were free to write down what was in their mind about entrepreneurs and entrepreneurship. Given that this baseline information is regarding students' knowledge about entrepreneurs, it would be useful to describe and discuss these results and findings as the first concern in the research. Answers from students in Questionnaire Two were then

combined in an appropriate way with Questionnaire One. In this way, they can be used for further analysis.

### **6.2.1. Results and Findings**

To generate results and findings from Questionnaire Two, which is the baseline questionnaire concerning entrepreneurs, the researcher carried out the following procedure:

- a. Raw data and information was collected through the questionnaire. The sample were asked to answer an open ended question regarding their opinion about the meaning / definition of entrepreneur (please refer to Questionnaire Two).
- b. This data and information were then noted, classified and interpreted by the researcher.
- c. Classified and interpreted data and information from students was then put into an SPSS data list for analysis. Cross tabulation between gender of the students and category of answers given by the students was later carried out.
- d. The results from the SPSS analysis were then compared to the research, studies and opinion regarding definition and characteristics of entrepreneurs from the existing literature.
- e. From there, the researcher made a summary of the answers taking account of these entrepreneurial definitions and characteristics.

It was found among the 291 respondents that 275 copies of Questionnaire Two were filled and returned completely. Sixteen of the Questionnaire Two were categorized as 'Not-Valid / Missing' because students did not answer the question. Twelve students out

of 275 answered the question and were categorized as ‘Others / Un-Categorized Answer’. The category of ‘Other / Un-Categorized Answer’ is made to accommodate answers from students which do not fit with the opinion from scholars regarding the definition and characteristics of entrepreneurs. This had produced the distinct categories. Students who were categorized as ‘Others / Un-Categorized’ offered answers, such as entrepreneur is a person who is a non-government employee, an entrepreneur is a trader, an entrepreneur is a person who runs his / her family business. Detailed findings and results regarding answers from students about entrepreneurs is shown in the following cross tabulation.

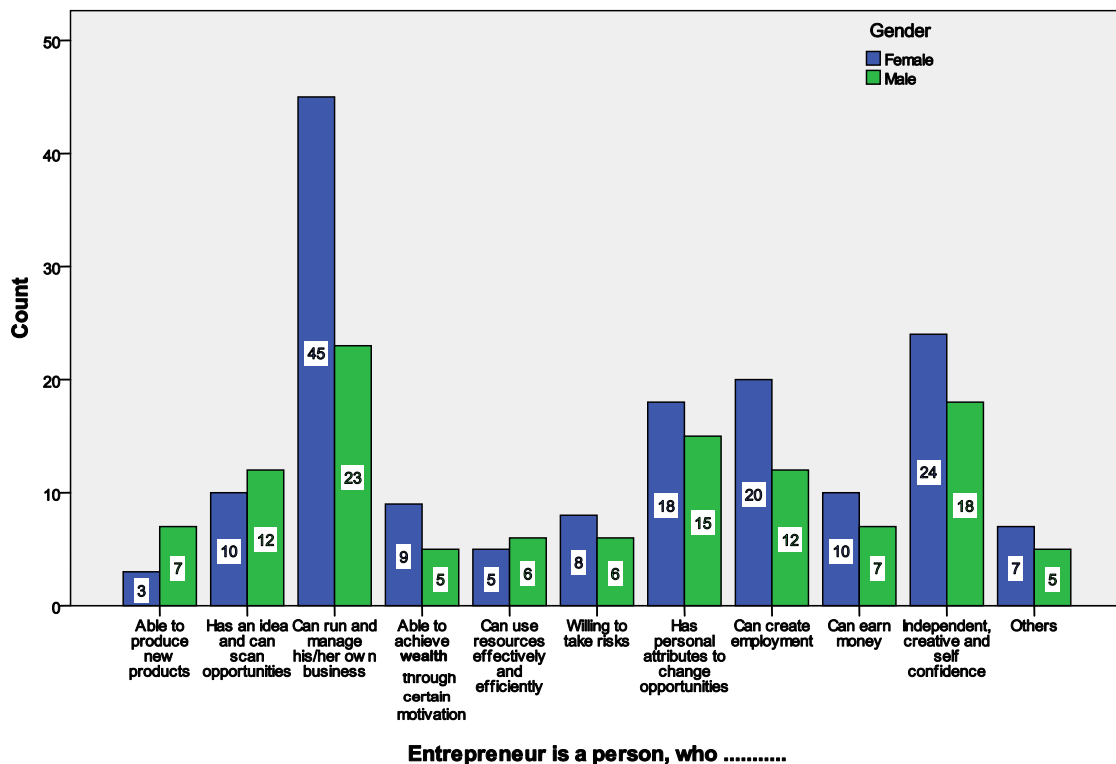
Table 6.6  
Cross Tabulation between Gender and Students Opinion Regarding Entrepreneurs  
(*in people*)

		Gender		Total
		Female	Male	
Entrepreneur is	Able to produce new products	3	7	10
	Has an idea and can scan opportunities	10	12	22
	Can run and manage his / her own business	45	23	68
	Able to achieve wealth through certain motivation	9	5	14
	Can use resources effectively and efficiently	5	6	11
	Willing to take risks	8	6	14
	Has personal attributes to change opportunities	18	15	33
	Can create employment	20	12	32
	Can earn money	10	7	17
	Independent, creative and self confidence	24	18	42
	Others	7	5	12
Total		159	116	275



Case Processing Summary						
	Cases					
	Valid		Missing		Total	
	N	Percent	N	Percent	N	Percent
Entrepreneur is * Gender	275	94.5%	16	5.5%	291	100.0%

### Students Opinion Regarding the Definition of Entrepreneurs



Students provided 10 possible identifications regarding their perception and knowledge about entrepreneurs. The answers range from *personality and traits of entrepreneur* (has an idea and can scan opportunities, willing to take risks on innovation, personal attributes to change opportunities into realities and self-confidence, creative, independent), entrepreneur as *new venture creators* (able to produce new products, can run and manage own businesses, can use resources and can create employment) and *motives-objectives of entrepreneur* (achieving wealth with certain motivation and can

earn money on their own way). In detail, the answers could be divided into ten categories:

1. An entrepreneur is a person who has the ability to produce new products
2. An entrepreneur is a person who has an idea, can scan opportunities and use them to start their own business
3. An entrepreneur is a person who can run and manage his / her own business with his / her own ability and resources
4. An entrepreneur is a person who has the ability to achieve wealth through certain motivations
5. An entrepreneur is a person who can use resources and manage him / herself to achieve wealth
6. An entrepreneur is a person who is willing to take risks in innovation in order to get returns
7. An entrepreneur is a person who has personal attributes to change opportunities into realities
8. An entrepreneur is a person who can create employment from his / her business and contribute positively to society
9. An entrepreneur is a person who can earn money in his / her own way
10. An entrepreneur is a person who is independent, creative and has the self-confidence to run his / her own business

The findings of the research show that the majority of the students view entrepreneurs as *new venture creators*. A large number of students answered that an entrepreneur is a person who can run and manage their own business and a person who can create employment opportunities. In detail, there are more female students who thought about these compared to male students (*see the bar-chart*). This finding shows that most

students think and view entrepreneurs from a very simple point of view when they are not required to give answers based on an academic point of view. This finding also shows that students viewed entrepreneurs from a practical point of view – they establish a business, run and manage it and at the same time, open an employment opportunity.

The second largest group of the students viewed entrepreneurs from the perspective of: personality and traits (attributes) of entrepreneurs (have personal attributes to change opportunities into realities and self-confidence, creative, independent). This answer indicates that some students viewed entrepreneurs as a person who has different / distinguishing personality characteristics compared to people from other jobs / professions.

An interesting phenomenon is found in answers number one and two (is able to produce new products, has an idea, can scan opportunities and make them possible to start a business as well as can use resources effectively and efficiently – *see the bar chart*). More male students chose these answers compared to female students. This finding might be an indication that male students tend to be more *dynamic* (in terms of business ideas, scanning business opportunities, to innovating and using resources) in viewing entrepreneurial jobs compared to female students. However, this indication needs to be researched and investigated further as it was not the intention of this research to consider gender differences.

Only a small number of students viewed entrepreneurs from purely a wealth / financial point of view. This suggests that students see entrepreneurs and entrepreneurship in a wider context than merely the ability to achieve wealth and financial status.

As mentioned, the findings of the research has shown that the majority of students defined the entrepreneur simply and essentially viewed the entrepreneur as a new

venture creator. This was then followed by those who viewed the entrepreneur from a personality and a traits perspective, and finally, a small number who viewed the entrepreneur from a wealth and financial point of view. The following cross tabulation table describes this finding.

Table 6.7  
Cross Tabulation between Gender of Students and Category of Their Answer  
Regarding Definition of Entrepreneur  
(*in person*)

		Category of Answer			Total
		New Venture Creators	Personality and Traits	Wealth and Financial Achievement	
Gender	Female	83	50	19	152
	Male	55	44	12	111
Total		138	94	31	263

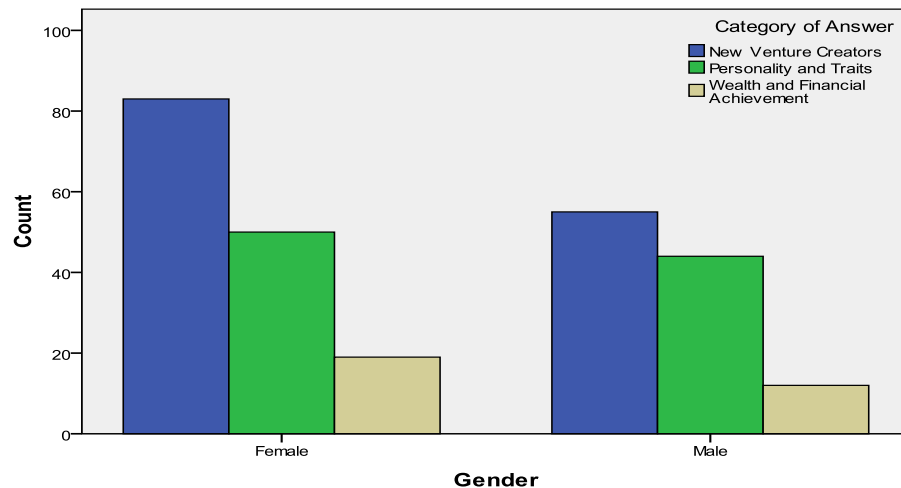
**Case Processing Summary**

	Cases					
	Valid		Missing		Total	
	N	Percent	N	Percent	N	Percent
Gender * Category of Answer	263	90.4%	28	9.6%	291	100.0%

The table suggests that most of the students defined the entrepreneur as a new venture creator (83 female and 55 male students), followed by a definition from the personality and traits point of view (50 female and 44 male students) and a definition from wealth and financial achievements (19 female and 12 male students). In total, 263 students defined the entrepreneur based on these categories; 12 students answered outside these categories and 16 other students did not answer the question. The findings of the cross tabulation table are shown in the following figure.

Figure 6.1  
Students Opinion Regarding the Definition of Entrepreneurs

**Bar Chart – Students Opinion Regarding the Definition of Entrepreneurs**



In summary, the analysis of the answers regarding the definition of entrepreneurs has led us to an understanding that if the students need to define entrepreneurs in their own words, they tend to find a simple meaning and definition which is not only related to wealth and/or financial achievement. There are students who tried to define the meaning of the entrepreneur in more detail i.e. by combining a practical point of view and their academic knowledge. Another interesting point that can be found in the answers regarding entrepreneurs is related to the view of male students, who emphasized in their answers the ability to produce new products (i.e. to innovate), business ideas and business opportunities. Answers to the question and the subsequent analysis are enough to convince the researcher that, in general, most students could articulate their own definition about entrepreneurs and identify appropriate detail of the entrepreneur. This will be important for the later analysis.

### 6.2.2. From Whom the Students First Knew About the Entrepreneur

Related to Questionnaire Two which asked students about their opinion and overview regarding the entrepreneur, the students were also asked to consider who they first identified as an entrepreneur. This question is part of Questionnaire One. Similar to other questions in Questionnaire One, students were also given a semi-open questionnaire with several possible sets of answers that could be chosen.

From several constructs of individuals that are set as possible answers, the students answered as follows.

Table 6.8  
From Whom the Students First Knew about the Entrepreneur

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Missing	3	1.0	1.0	1.0
	Father	69	23.7	23.7	24.7
	Mother	15	5.2	5.2	29.9
	Siblings	5	1.7	1.7	31.6
	Uncles / Aunties	7	2.4	2.4	34.0
	Teacher	80	27.5	27.5	61.5
	Friends	4	1.4	1.4	62.9
	Boyfriend / Girlfriend	3	1.0	1.0	63.9
	Written and verbal success story of entrepreneurs	94	32.3	32.3	96.2
	Others	11	3.8	3.8	100.0
	Total	291	100.0	100.0	

The table suggests that the success story of entrepreneurs becomes the important essential knowledge to the students to know more about entrepreneurs and entrepreneurship. 94 students out of 291 (32.3%) think this. Media exposure is in important position to disseminate success stories of entrepreneurs as most of the students revealed that they know the success story of an entrepreneur from written

sources such as magazines, newspapers, bibliographies of entrepreneurs etc. Some of the students in the interview also said that they know the success story of an entrepreneur from visiting entrepreneurs in *studium generale* and direct conversation(s) on specific occasions.

The *Teacher / lecturer* and *father* are also important individuals to help create their early knowledge about entrepreneurs. As to their position, teachers / lecturers (especially teacher / lecturer of entrepreneurship) are also in an important position to share knowledge about entrepreneurs with the students. Formal classroom education is believed as the most systematic way for the teacher / lecturer to share knowledge about entrepreneurs. Eighty students (27.5%) reflected that their teacher / lecturer is a person from whom they first knew about entrepreneurs. Parents, in particular, fathers, were also identified as an important person to inform students about entrepreneurship. Sixty nine students (23.7%) viewed this to be true.

### **5.2.3. Summary**

1. The percentage of returned and answered Questionnaire Two is 95%. Despite the fact that 16 students did not fill and return Questionnaire Two, this does not significantly influence the analysis of Questionnaire Two. Questionnaire Two is an open ended questionnaire, where students are free to write down their own perceptions, opinions and overview about entrepreneurs.
2. There are 16 students who did not completed Questionnaire Two and this is categorized as invalid / missing answers.

3. There are 12 answers categorized as ‘Others / Un-Categorized’ because students answered outside of the ten above mentioned categories.
4. Students already understand what an entrepreneur is. Presumably, the entrepreneurship subject / course in the faculty has made students truly understand about the entrepreneur. Their perception on entrepreneurs shows this.
5. Answers from the students regarding the entrepreneur can be categorized into three definitions of the entrepreneur; (1) as a person who takes risks in innovation, (2) as a person who can use his / her abilities and resources and (3) as a person who has personal traits and personality to become a new venture creator. These perceptions are relevant with an overview and opinion from scholars about the definition of an entrepreneur from the perspectives of innovation, economics and management as well as factors for new venture success.

### **6.3. Students’ Entrepreneurial Social Network**

#### **Introduction**

This section discusses the results and findings of Questionnaire One regarding students’ entrepreneurial social network. Questions were both *close ended* (yes or no answers) and *open-ended*. The questions mainly tried to identify whether or not the students have relatives who are entrepreneurs; who are they specifically; and whether they have ever been motivated by their parents to become an entrepreneur. Related to this, students were also asked whether or not their family have an entrepreneurial background and culture.

This sub-section also discusses answers from students about entrepreneurs who are living within their neighbourhood – whether these entrepreneurs have ever motivated them to



become an entrepreneur, and their opinion regarding entrepreneurial work and jobs after they have generally observed entrepreneurs in their neighbourhood. Discussion of the results is used as information about the students' basic social condition and to identify the existence of entrepreneurial role models around their neighbourhood. The results and findings that have been obtained are as follows:

### **6.3.1. Relatives who are Entrepreneurs**

One hundred and ninety-five (67%) out of the 291 students answered that they had 'core' relatives who are entrepreneurs and 96 answered they did not.

### **6.3.2. Family Entrepreneurial Background**

Related to the identification of 'core' relatives who are entrepreneurs, students were also asked whether their wider family members had an entrepreneurial background. This question was a close-ended question and students were required to answer yes or no. Using the frequency table, the findings of the research confirm that 290 students answered this question. There is only one not-valid / missing answer.

From these 290 valid answers, 170 students (58.4%) revealed that they had a family member with an entrepreneurial background while the other 120 (41.42%) students said that they had no family entrepreneurial background. This finding shows that more or less, students who have a family entrepreneurial background also have a track record and culture to become an entrepreneur.

A more precise analysis by using a cross tabulation between students who have relatives who are entrepreneurs and their family entrepreneurial background shows the following results.

Table 6.9  
Cross Tabulation: Students' Relatives Who Are Entrepreneurs  
and Family Entrepreneurial Background

		Family's Entrepreneurial Background			Total
		No	Yes	Not-valid	
Relatives Who Are Entrepreneurs	No	75	20	1	96
	Yes	45	150	0	195
Total		120	170	1	291

This finding shows that 150 students out of 291 students who identified their relatives as an entrepreneur revealed that they have family entrepreneurial background. The terms relatives and the family members are treated differently. Relatives are the members of a big family (such as aunty, uncle, cousin), while the family member is the core members of the family (the father, the mother and siblings). The 150 students who answer that they had relatives who are entrepreneurs and had family entrepreneurial background means that they had a member of their big family who is an entrepreneur and at the same time, their core family members also had an entrepreneurial background. Meanwhile, 45 of students had no family entrepreneurial background but do have relatives who engage in entrepreneurial activities.

Interestingly, a further finding shows that 75 students have no family entrepreneurial background as well as having no relatives who engage in entrepreneurial activities at all. Another 20 students said they have no relatives who were undertaking entrepreneurial activities but do have a family entrepreneurial background. Explaining this, the research also found that all those 95 students did, in fact, have entrepreneurs living in their neighbourhood. The entrepreneurs are the students' neighbours. It is important to clarify that all of the 291 respondents can meet one of the sampling criteria in terms of

entrepreneurial social network (either relatives or non-relatives), in which the students should be living within.

In the specific open-ended question which asked students to identify their relatives (but not the core family members such as father, mother, brother / sister) who are entrepreneurs, most of the students identified their *uncle and aunty* as the person and relatives who engage in entrepreneurial activities. Some students also identified their *brothers / sisters, cousins and grandfather / grandmother* as the relatives who engage in entrepreneurial activities. There is also identification of another person who is (actually) not a relative of the students such as friends and neighbours, but only a very small number of students (only two or three students) revealed this.

Another relevant question regarding entrepreneurial background of the students' family member related to their parents' motivation to become an entrepreneur. With 0.7% non-valid / missing answers, 289 students answered this question. 63.2% or 184 of them answered that their parents had motivated them to become an entrepreneur, while 36.1% or 105 students stated that they had never been motivated by their parents to become an entrepreneur.

In a further question related to this, the students mentioned in an open-ended answer that their parents motivated them by *asking* them to become an entrepreneur rather than to become an employee after they have graduated. Some parents gave *direct examples* of how to become an entrepreneur *by involving* their children in their daily entrepreneurial activities. Other parents explained, discussed and directed their children (the students) to become an entrepreneur with the promise that they would provide all necessary initial capital and funding to start and establish the business. Some parents even asked their

children to establish a business that can grow to being a big family business in the future.

On the other hand, there are also parents who did not make any representations regarding the entrepreneurial activities of their children. This happened with 105 students who answered that they had never been motivated by their parents. This type of student mainly relies on figures other than their parents and these can be their relatives or non-relatives.

### **6.3.2. Entrepreneurs Living in the Neighbourhood**

As part of the efforts to find information regarding students' entrepreneurial social networks, the research also asked the students whether there are entrepreneurs living within their neighbourhood. This question is a close-ended question and so students were required to answer only yes or no.

This question mainly aims to fill one criteria of the sample (see earlier sub-section 5.5.2.1. regarding sample criteria) which stated that the sample should be living in an entrepreneurial social network. This means that at least one entrepreneur (relatives or non-relatives) should be living in the students neighbourhood. With two non-valid / missing answers, there were 289 students who answered this question. This means 99.3% of students had answered this question and the rest was missing.

From these 289 students, 174 (59.8%) revealed that there are entrepreneurs living in their neighbourhood. The rest (115) said that there were no entrepreneurs living nearby.

### 6.3.3. Opinions Regarding Entrepreneurial Work and Jobs

One specific open-ended question in Questionnaire Two asked students their opinion on entrepreneurial work chosen by their relatives or neighbours. In answer to this, students viewed their entrepreneurial work and jobs as mostly related to the *attributes* of entrepreneurs and the *nature* of them. From the interview, almost all of the students revealed one common comment, that they were *jealous* both of the revenue and success gained by entrepreneurs and as a result, they wished, and were eager, to enter into an entrepreneurial career. This was revealed in expressions, such as:

*“...with the high revenues and big possibility of gaining success, who does not want to become an entrepreneur?”*

and

*“Be honest that their success and richness has made me jealous. It will be a particular motivation for me if I am entering this work / job”*

Those examples of expression can indicate that the jealousy that arises from the performance (revenue / richness and success) of entrepreneurs can lead to further positive motivation for the students to enter into an entrepreneurial career. Although it is not the focus of the research and should be further clarified, it can also be predicted that the negative energy that arises as a result of observing the positive performance of others can be transformed into a positive motivation by other individuals (in this case the students) to decide their future career.

In a further overview about entrepreneurial work and jobs undertaken by their neighbours and relatives, the students reflected that they can learn and understand the positive and negatives aspects of entrepreneurial work and jobs. The positive aspects

consider that entrepreneurial work and jobs are more related to the *attributes of entrepreneurs*, while concerning the negative aspect, students' view that the work and jobs of entrepreneurship are related to its nature and characteristics. Detailed answers from students are categorized in the following table.

Table 6.10  
Students' Opinion Regarding Entrepreneurial Works and Jobs done by their  
Neighbours' Entrepreneurs

Positive aspects	Negative aspects
<p><i>Entrepreneurial work and jobs .....</i></p> <ol style="list-style-type: none"> <li>1. Should be eager to be different and have their own style</li> <li>2. Should have skills to operate the business</li> <li>3. Are <i>more action – less talking</i> oriented</li> <li>4. Need good communication</li> <li>5. Have flexible working hours</li> <li>6. Are busy but independent or autonomous</li> <li>7. Are a nice career and have a good future prospect</li> <li>8. Are creative and innovative</li> <li>9. Are providing employment opportunities to society</li> <li>10. Should be <i>whole-hearted</i>, with high motivation and determination but should be also <i>religiously responsible</i> (should also dedicate their work, jobs and the outcome of their work and jobs in religious ways such as charity to the mosques).</li> <li>11. Are fun but ambitious</li> </ol>	<p><i>Entrepreneurial work and jobs ....</i></p> <ol style="list-style-type: none"> <li>1. Are not well structured and unorganized</li> <li>2. Have unpredictable returns – too many risks</li> <li>3. Should have good manageable resources as the precondition to success</li> <li>4. Tend to swap into political moves (successful entrepreneurs tend to enter into political activities and positions)</li> </ol>

*Source: Information was obtained from Questionnaire Two, classified and summarized.*

It can be seen in the categories of the answers above that the students tend to view entrepreneurial work and jobs more on their positive aspects rather than the negative aspects. As mentioned previously, the positive overviews describe entrepreneurial work and jobs from the perspectives of the attributes of entrepreneurs or the entrepreneur as a

person, while the negative overview describes more the nature and characteristic of work and jobs that are done by entrepreneurs. This positive understanding could be a sign and indication that the students are “aware” of entrepreneurship as a possible future career choice, and furthermore, have a positive impression about their particular work and jobs.

Interestingly, there are also some students who viewed entrepreneurial work and jobs from the perspectives of *religiosity* and *politics*. Interviews with the students who thought this revealed that achieving success in entrepreneurial work and jobs should always be accompanied by religiousness and it should not only be related to the attributes and nature of the work and jobs. As a heterogeneous religious country where Islam has the biggest number of adherents, this view represents the firm belief of Indonesian people that every success depends on God’s will, and not just because of the efforts expended in work and jobs. Therefore, every business process, it is believed, should also be undertaken in a religiously responsible way and part of the outcomes from the business should also be dedicated to religious ends – such donations and charities to mosques or religious activities done by Muslim societies.

The opinion about *politics* cannot be separated from the fact that entrepreneurs tend to enter into politics if they have achieved success in their business. Some big and famous entrepreneurs wish to enter into politics because of various interests and motivations, such as obtaining business opportunities from government projects, securing their business from possible political turbulence that can happen, getting ‘people awareness’, and dedicating themselves to the country. Students believe that at the time entrepreneurs enter into the political arena, attention to their business will dwindle and often, there will be a conflict of interests between those two professions as they are of a different nature.

This will put entrepreneurship as a profession, and further, the business, in a latent danger as the entrepreneur should swap their attention between business and politics.

## **6.4. Lessons Learned from Entrepreneurs**

### **Introduction**

This section discusses students' expressions regarding the entrepreneurial learning experience that they can get after observing entrepreneurs in their neighbourhood. Students were asked what they can learn from entrepreneurs (relatives or non-relatives) and from entrepreneurial activities. The questions comprise two semi-open sub-questions, where students were given several possible choices for their answer. The question itself consists of two questions. First, what can they learn from the characteristics of entrepreneurs and the second, what other learning experience have they gained from entrepreneurs.

The entrepreneurial characteristics available to be chosen by students in the first question were based on the opinions and suggestions of scholars, while the choice of answers to the second question was set up by the researcher based on the possible learning opportunities acquired by the students. Findings on these questions follow.

### **6.4.1. Learning from Entrepreneurial Characteristics**

In this part, students were asked about the best learning possibilities from entrepreneurs based on entrepreneurial characteristics that they identified in the entrepreneurs within their neighbourhood. To avoid bias in answers and invalid / missing data and information, the possible choice of entrepreneurial characteristics was set-up and written-up so that students could easily identify their answer. Students could choose



more than one answer from the characteristics of entrepreneurs and they were given the possibility to offer other answers. Entrepreneurial characteristics that could have been chosen by the students to answer this question were:

1. Fighting spirit and never give-up
2. Economic and business calculation
3. Resource allocation (can allocate resources)
4. Work as a group
5. Self confidence
6. Try...try...try (innovative and creative)
7. Recognize every business opportunity
8. Responsibility

In order to accommodate answers other than those eight possible options, the students were free to write down any other answer. Cross tabulation results of the learning experience from the insight of those eight entrepreneurial characteristics are shown as follows.

#### **6.4.1.1. High Spirit**

There are 278 valid answers from students who answer that they can learn *high spirit* from entrepreneurs living in their neighbourhood. As the total number of sample is 291 students, therefore 13 answers are not-valid / missing. The valid answer comes from 154 male students and 124 females.

The cross tabulation between gender of the students and the high spirit as the learning experience from entrepreneurs is shown below.

Table 6.11  
Cross Tabulation between Gender and High Spirit as the Learning Experience

No	Gender	High Spirit as the Learning Experience			Total
		Yes	No	Missing	
1	Female	127	27	8	162
2	Male	99	25	5	129
Total		226	52	13	291

It can be seen from the table that 226 students (consisting of 127 females and 99 males) think that they learned high spirit by observing entrepreneurs living in their neighbourhood; while 52 of them answered that they could not learn this from entrepreneurs.

#### 6.4.1.2. Self-Confidence

The research found that 280 students answered the question regarding self-confidence as a learning experience from observing entrepreneurs. 155 females and 125 males answered this question. The cross tabulation regarding this is shown below.

Table 6.12  
Cross Tabulation between Gender and Self Confidence as the Learning Experience

No	Gender	Self Confidence as the Learning Experience			Total
		Yes	No	Missing	
1	Female	102	53	7	162
2	Male	79	46	4	129
Total		181	99	11	291

One entrepreneurial characteristic that was asked of the students is the degree of *self confidence* of an entrepreneur when they observed entrepreneurs living in their neighbourhood. Further informal interviews with the students revealed that the level of self confidence which they observed can be seen in the daily appearance of the entrepreneurs when they met others, the way they talk in their daily conversation and their firm belief when they think of something as right / correct.

Looking at the result of cross tabulation, more students believe that they can learn self confidence from entrepreneurs compared to around one third of them who said that self-confidence is not a learning experience that they got from entrepreneurs.

#### **6.4.1.3. Business Calculation**

280 students (155 females and 125 males) answered that business calculation is a positive learning experience that they can get from entrepreneurs. The interesting finding in this matter is the number of the students who answered that they do not believe learning business calculation is a positive learning experience by observing entrepreneurs in their neighbourhood. The following table shows the result of cross tabulation between gender of the student and business calculation as a possible learning experience from entrepreneurs.

Table 6.13  
Cross Tabulation between Gender and Business Calculation as a Learning Experience

No	Gender	<i>Business Calculation as a Learning Experience</i>			Total
		Yes	No	Missing	
1	Female	83	72	7	162
2	Male	65	60	4	129
Total		148	132	11	291

One hundred and forty-eight of 280 students answered that they can gain a learning experience in business calculation by observing entrepreneurs, while the rest, 132, thought that they learnt nothing about this by observing entrepreneurs. The possible answer for the students who thought they do not learn business calculation as a learning experience from entrepreneurs is related to their confidence that this can be learnt academically from schools and universities. They think that business calculation is more related to financial management and accounting areas, in which entrepreneurs, especially small business entrepreneurs, are not well equipped. Some students said that they cannot learn this by observing the entrepreneur alone – as entrepreneurs normally do not want to share how they calculate their financial and business matters with others.

#### 6.4.1.4. Innovativeness

One of the questions related to learning experience by observing entrepreneurs in a students' neighbourhood asked whether the students think the *climate of innovativeness* as a possible learning experience from entrepreneurs. To have a correct insight and understanding from the students, innovativeness is simply meant as the attitude and ability of entrepreneurs to innovate based on their personal circumstances and background.

Replying to this question, 175 students answered that they can learn about the climate of innovativeness from entrepreneurs, whilst the rest (103) thought that they cannot learn such behaviour from entrepreneurs. There are 13 missing answers.

Students who believe that they cannot learn innovativeness by observing entrepreneurs said that their neighbouring entrepreneurs are not innovative. This is because those entrepreneurs do not produce an innovation (producing new products). They view that to become innovative one should always simultaneously produce a new product, either goods or services. This means that students simply view the terms innovation and innovativeness as being devoted to the same meaning – which is producing new goods or services.

Regarding innovativeness as a possible learning experience from entrepreneurs, the answer of the students is shown in the cross tabulation below.

Table 6.14  
Cross Tabulation between Gender and Innovativeness as the Learning Experience

No	Gender	<i>Innovativeness as the Learning Experience</i>			Total
		Yes	No	Missing	
1	Female	96	58	8	162
2	Male	79	45	5	129
Total		175	103	13	291

#### 6.4.1.5. Resource Allocation

To get an overview regarding possible learning experience by observing entrepreneurs, students were also asked whether they think that understanding resource allocation is one possible learning experience from entrepreneurs. Resource allocation is meant as the

ability of entrepreneurs to use their resources that they have (capital, raw materials, and people / employees) in effective and efficient ways in order to produce and market their products.

The finding show that 149 students agree that resource allocation is a possible learning experience from entrepreneurs, while 131 students do not agree. Students who do not agree mainly based their responses on their perception that the reason of financial management by entrepreneurs as a typical example of failure in allocating resources by the entrepreneurs. These students revealed that the entrepreneurs who they observed cannot manage their finance between personal needs and business needs properly. Students think and view that often, entrepreneurs are mixing their personal finance with their business. Consequently, this has caused financial problems to their business. However, this judgement is reasonable as entrepreneurs living in the students' neighbourhood are mostly micro to small and medium entrepreneurs from a broad range of business sectors and it maybe that proper financial management does not get the particular attention it should deserve.

In addition to this finding, the research also found that there are 11 missing / invalid answers. Details are shown in the following cross tabulation.

Table 6.15  
Cross Tabulation between Gender and Resource Allocation as the Learning Experience

No	Gender	<i>Resource Allocation as the Learning Experience</i>			Total
		Yes	No	Missing	
1	Female	78	77	7	162
2	Male	71	54	4	129
Total		149	131	11	291

#### 6.4.1.6. Opportunity Recognition

One of entrepreneurial characteristic that has been asked to the students is related to the possible learning experience regarding *opportunity recognition* by the entrepreneurs. This simply means the ability of entrepreneurs to identify every business opportunity that they can further manage as a real operable business. Dealing with this question, 180 students gave their opinion. 163 of them thought that they did (learn opportunity recognition from the entrepreneurs who they observed) while the rest (117) said they do not. The following table shows the answers from the students.

Table 6.16  
Cross Tabulation between Gender and Opportunity Recognition as the Learning Experience

No	Gender	<i>Opportunity Recognition as the Learning Experience</i>			Total
		Yes	No	Missing	
1	Female	78	77	7	162
2	Male	71	54	4	129
Total		149	131	11	291

It can be seen from the cross tabulation table above that male students believe rather more than female students that they can learn opportunity recognition from entrepreneurs. In comparison, female students tend to be not so sure that they can learn this from entrepreneurs. This uncertainty is shown in the very small difference between the numbers of female students who answer *yes and no* to this question, along with the admittedly small but bigger missing answer from the female students compared to the male students.

#### 6.4.1.7. Working as a Group

The interesting point regarding this matter is that most of the students think working as a group is not a possible learning experience that can be gained from entrepreneurs. Two hundred and seventy eight students answered the question whether working as a group is one of the possible learning experiences from entrepreneurs. 170 students consider that this cannot be learnt from entrepreneurs while the rest, 108, said it is possible to learn this from entrepreneurs. Those 170 students, who said that working as a group is not a possible learning experience from entrepreneurs, argued that entrepreneurs are best doing their work and conducting business only by themselves and do not require working in, or with, a group of people. This could also be a sign that entrepreneurs are less productive in working as a group and therefore students do not think learning to work as a group to the entrepreneurs is a good idea. The cross tabulation is shown below.

Table 6.17  
Cross Tabulation between Gender and Working as a Group as the Learning Experience

No	Gender	<i>Working as a Group</i> as the Learning Experience			Total
		Yes	No	Missing	
1	Female	60	94	8	162
2	Male	48	76	5	129
Total		108	170	13	291

The difference of the female students who said *yes* and *no* to this question is 34 students where most of them said '*no*' to the question whether they learn working as a group from entrepreneurs. For male students the difference is 28.



#### 6.4.1.8. Responsibility

The last choice of possible learning experience from entrepreneurs that was asked in the Questionnaire One is regarding *responsibility*. The students were asked to answer whether they think they can learn responsibility from entrepreneurs. Responsibility here being in general and broad terms, and so not only limited to entrepreneurial behaviour. Responsibility relates to the ability, willingness and responses of entrepreneurs to handle consequences from every decision that they have made and the circumstances that arise from that decision.

176 students said that they learn this from entrepreneurs, while 102 students said that they did not. 176 students who said yes to this question argued that they learn how entrepreneurs are fully responsible to every business decision that they have made and on how they can face consequences of the decisions. The student opinion regarding this is shown in the table below.

Table 6.18  
Cross Tabulation between Gender and Responsibility as a Learning Experience

No	Gender	<i>Responsibility as a Learning Experience</i>			Total
		Yes	No	Missing	
1	Female	100	53	9	162
2	Male	76	49	4	129
Total		176	102	13	291

#### 6.4.1.9. Open-ended Answers

Questionnaire One also accommodates other possible answers from students regarding possible learning experience that they have gained from observing entrepreneurs.

Questionnaire One provides an open-ended answer to accommodate this and as a result, various answers were given by the students on other possible learning experiences that they had gained from entrepreneurs. In detail, answers from students are expressed as below:

- a. Being independent and being the ‘boss’ in the business
- b. Using intuition to make business decisions
- c. Bright ideas
- d. Establishing friendship and network
- e. Religious reasons
- f. Honest and wise
- g. Self-manage
- h. Risk taker

If we put all of those other possible learning experiences in categories, there are two categories that can be made. The first is the *personal learning experiences* (using intuition to make the decision, religious, honest and wise) which are related to the personal benefits that the students can get. The second category is related to the learning experience in *business operations* (independent, bright ideas, friendship and networking, self-manage, risk taker).

#### **6.4.2. Expected Possible Condition after Observing Entrepreneurs**

After having identified possible learning experiences from entrepreneurs, the students were also asked about possible changes in circumstances, overview and decisions for their future career, especially an entrepreneurial career. The question is a semi-open ended question. Students were given several possible sets of answers, but if they thought

that they have alternative answers, they were also free to write their own answer in the space provided.

By using the frequency table, it is found that almost all the students gave their answer and opinion about this question. However, there are 3 (1%) students from all of 291 samples who did not answer this question. The large response from students in answering this question (288 responses) shows that they treated this question as one of the more important ones and one that ‘grabbed’ their particular attention.

Answers from students were classified and categorized into three groups: positive, moderate and negative answers. The *positive answers* reflect the positive expressions towards the learning experience of entrepreneurs which could result in a bigger possibility that the students would enter into an entrepreneurial career. The *moderate answers* reflect that the students think moderately to positive about their learning experience from entrepreneurs but unfortunately, there is no guarantee that they will decide to enter into an entrepreneurial career. On the contrary, the *negative answers* reflect an objection and refusal toward learning from the experience of entrepreneurs and their entrepreneurial career.

The following table illustrates the answers from students about their hopes and expected condition after they have obtained learning experiences from entrepreneurs living in their social network.

Table 6.19  
Students' Expected Condition after Learning Experience from Entrepreneurs

No	Expected Condition	Frequency			
		Number	Percent	Valid Percent	Cumulative Percent
1	Career inspiration	163	56.0	56.0	56.0
2	Directly imitate the entrepreneurs	21	7.2	7.2	63.2
3	Wish to be like entrepreneurs in the future life	78	26.8	26.8	90.0
4	Just learn is enough	17	5.8	5.8	95.8
5	Nothing special from entrepreneurs	5	1.7	1.7	97.5
6	Learning from entrepreneurs is useless	2	0.7	0.7	98.3
7	Others	2	0.7	0.7	99.0
	Not-valid / missing answers	3	1.0	1.0	100
	<b>Total</b>	<b>291</b>	<b>100</b>	<b>100</b>	

The table shows clearly that a majority of the students reacted positively towards the learning experience of entrepreneurs. Students, who viewed positively entrepreneurs and a career in entrepreneurship, were more than half of the respondents. A total of 184 students viewed entrepreneurs and an entrepreneurship career positively.

The positive reflection from students is demonstrated in their expressions that entrepreneurship had become their *career inspiration*. As previously discussed, many young people, in particular students in higher education, are set-up and prepared by their parents to become employees, either in public or private institutions. Gaining learning experience by observing entrepreneurial works and jobs done by entrepreneurs has given them career inspiration and an understanding that there is another possible future career available, and not only just to become an employee. Some of the students even wish to *imitate* directly the entrepreneurs (their acts, attitude, behaviour, decision, career

etc.). This can be seen either as a sign of a very strong motivation to become an entrepreneur or that they have made the decision to enter into an entrepreneurial career, or both. Some students also *wish to be like entrepreneurs*, either in personality or in their daily life.

In a more positive to moderate sense, some students only *wish to be like entrepreneurs*. This expression can be a sign of their *hesitancy* about the future life and career to become an entrepreneur. The students hesitate whether an entrepreneurial career would fit them. Importantly, this expression can also be a sign that this type of student actually has a great potential to choose an entrepreneurial career for their future life.

Moderate thinking about and sense making from a learning experience from entrepreneurs by the students is expressed through the expression that a *learning experience is enough for them*. Students think that learning is enough, and tend not to want to make entrepreneurship their possible future career. This expression is a sign that these students just need to enter into entrepreneurial teaching and learning in- or -out of the classroom not because of their particular interest, but more because of other reasons such as a simple academic interest or academic obligation. Possible effective learning and teaching outcomes in entrepreneurship from this type of student is doubtful and furthermore, the possibility of these students entering into an entrepreneurial career is ‘*fifty-fifty*’ as their answer shows that they still have doubts about this career.

On the contrary, some students also think from a negative viewpoint regarding their learning experience based on their overview concerning entrepreneurs. This is expressed in their opinion that there is *nothing special (to be learnt) from entrepreneurs*. A more negative sense is even expressed in that *learning from entrepreneurs is useless* for them and their future life. Both of these expressions show clearly that students are not

interested in entrepreneurship as they think that working as an employee will still guarantee their future life. These contradictory statements and reflections can also be used as a sign that not all of the students agree with the statement “*entrepreneurship is a better career choice for the future*” and still think working as an employee as the best way to guarantee their future life. From all of the samples, seven students expressed and gave statements and reflections from a negative point of view regarding a learning experience of entrepreneurs.

## **6.5. Planning for an Entrepreneurial Career**

### **Introduction**

Questionnaire One also asked students whether they are planning to enter into an entrepreneurial career in the future. Those who want to enter into an entrepreneurial career were also asked when would be the best time for them to enter such a career. A further related question concerns their reasons for entering into an entrepreneurial career.

The questions were close-ended. Students were given options along with the possibility to express their own opinion in a semi-opened question if they could not find a suitable choice of answers or they had other answers apart from those that were offered.

These findings are discussed in the following sub-sections.

### **6.5.1. Planning and Time to Enter into an Entrepreneurial Career**

In this section, students were asked whether they were planning to enter into an entrepreneurial career and establish their business and if so, when would be a suitable timeframe for them to realize their plan. Two hundred and eighty one students (97.3% of

the entire sample) answered this. With a very small number of missing answers (2.7%), this figure also demonstrated that almost the entire student sample had planned to enter into an entrepreneurial career. Detailed results are shown in the following table.

Table 6.20  
Cross Tabulation: Planning to Start Up a Business and Timeframe to Realize the Plan

Plan to start a Business		When Will You Start the Business					Total
		Directly after graduated	1-2 years after graduated	2-3 years after graduated	3-4 years after graduated	5 years or more after graduated	
	No	1	0	0	0	1	2
	Yes	156	53	7	33	32	281
Total		157	53	7	33	33	283

Given 291 samples, the result of the research shows 281 students planned to enter into an entrepreneurial career. Almost the entire group expressed their opinion by answering the question. From the valid answers, only 2 students expressed that they did not want to start a business. The biggest number of students who answered that they planned to enter into entrepreneurial career (156 students) revealed that they intended to start up their business right after their graduation, while others (53 students) said 1-2 years after graduation and 7 students would establish their business 2-3 years after graduation.

An interesting finding in this part shows that the number of students who want to establish their business 3-4 years after graduation (33 students) and 5 years and more after graduation (32 students) was bigger than the number of students who wanted to establish their business 2-3 years after graduation.

Further interviews with some of the students resulted in information as to why this was happening. Students who wanted to establish their business 3 years after their graduation said that they had their own strategy for entering an entrepreneurial career. They

mentioned that the period 1-3 years is the period for working, either in a public or private institution / being an employee. This period will be used as the time to save their money / salary that will be used as the initial capital to start up their own business in the following years. Once they have enough savings, they will start their business in the year 3 or beyond. Students who are choosing private institutions as their first place to work / have a job said that they would quit their job after they could save some money from their salary and then set up their business. There are also students who mentioned that if they did not get job in public or private institutions in the period of 1-3 years after their graduation, they then would positively choose to enter into an entrepreneurial career.

#### **6.5.2. Important Reason for Choosing an Entrepreneurial Career**

In the second part to identify entrepreneurial career planning, the students were also asked the most important reason for them to choose an entrepreneurial career. To get an insight and guidance, students were given an alternative set of reasons that they could choose from Questionnaire One. They were also free to write down other reasons that had not been identified. These other reasons were then classified and categorized.

Using the valid data of students who were planning to start the business (283 valid answers as mentioned in table 6.18 above), the findings show that the reason for *independency* is the most common reason for students to enter into an entrepreneurial career, while *achieving financial wealth* is the second common reason.

The finding of the research regarding the reason for entering an entrepreneurial career by the students can be seen in the following cross tabulation table between the timeframe to start up a business and the reasons for an entrepreneurial career.



Table 6.21  
Timeframe to Establish a Business and Reasons for an Entrepreneurial Career

No	When will you start your business?	Reasons for an Entrepreneurial Career							Total
		Financial	Status	Free working hours	Independent	Free to decide	Controlling resources	Others	
1	Directly after graduation	49	15	11	63	8	6	5	157
2	1-2 years after graduation	13	3	11	17	3	3	3	53
3	2-3 years after graduation	2	0	2	2	31	0	0	7
4	4-5 years after graduation	6	1	7	11	3	3	2	33
5	More than 5 years after graduation	11	1	7	9	1	3	1	33
<b>Total</b>		81	20	38	102	16	15	11	283

The table shows us that students who intend to enter into an entrepreneurial career directly after they have graduated expressed their reason for an entrepreneurial career as mostly connected with the *independency* of the job. The same is also expressed by students who intend to establish their business in 1-2 years and 4-5 years after graduation. A different reason is expressed by students who want to start their business 2-3 years after their graduation. Their reason is mostly related to the *free choice* that they can make if they choose to enter into an entrepreneurial career. Though the students think that the term ‘independent’ is different with the term ‘free to make the decision’, we can categorize both of these expressions in principle as having the same meaning.

For students who intend to start their business 5 years and more after their graduation, the reason is completely different. They viewed *financial wealth* as the main reason for entering an entrepreneurial career. Several possible explanations can be offered. It is

possible that these students have settled in their jobs or become an employee in public or private institutions and wish to increase their salary by generating extra revenue. They viewed an entrepreneurial career as the perfect choice to achieve this. By first becoming an employee, they will have suitable savings; have experience in operating their business and establishing a network. These will be of particular benefit to them in establishing their own business in the future.

It also can be considered that students have a specific deadline for waiting until they get a job or not. If they did not get a job in the 5 years after their graduation, they can swap their planning for their future life to become an entrepreneur. Another explanation can be related to gender. Many female students think of not working, and do not want to have a job after graduation, for the reason of *marriage* and to start *having a family*. But after several years of marriage, they think that it would not be good if they just sit and stay at home. Then, a decision would be made. They enter into an entrepreneurial career to pass the time at home or, they start the business to assist the husband in meeting the financial needs of the family. Empowering family members to generate family income is the main theme and issue in this matter.

The interview that had been done with students confirmed that saving a salary, getting experience in business operations and getting the opportunity to establish a business network during their status as an employee, are the main reasons for most of the students intending to establish their business 5 years or more after their graduation.

## **6.6. Influences to Become an Entrepreneur**

### **Introduction**

In this part, students were asked two questions in Questionnaire One in respect of what influenced them to considering becoming an entrepreneur. The first question concerned the *identification of the person* who could influence them most to become an entrepreneur, and the second question asked about *the ways that the person influencing* them had to encourage them to become an entrepreneur. The questions were arranged as Likert Scale questions, which ranged from 1-4 for identification of the person and 1-5 for the ways which they have influenced the students, with '1' as the most and the last point as not at all. Each of the questions was analysed with descriptive statistics.

#### **6.6.1. Identification of the Most Influential Person**

In this question, students were asked to identify the person who could influence them the most to become an entrepreneur. The question was arranged as a Likert scale 1-4 close-ended question, where the students could choose a possible answer based on their opinion. The 1-4 Likert scale was defined as below:

1 = Very influential

2 = Influential

3 = Not so influential

4 = Have no influence at all

To specify and name the person, possible 'actors' were set up based on the possibility of each of them becoming a role model for students. These actors were chosen and set up

based on the identification of the role model in Ajzen's Theory of Planned Behaviour (1991). To this was added another possible construct of role models i.e. teachers / lecturers and entrepreneurs. The decision to choose teachers / lecturers and entrepreneurs as other possible constructs of a role model was decided by the researcher based of the consideration on the possible influence that can be given by those constructs to the students' future life and entrepreneurial career planning.

Table 5.1 shows the possible construct of person and furthermore, the role model, who may influence students most to become an entrepreneur.

Table 6.22  
Possible Construct of a Person who could become a Role Model

<b>Role Models</b>		
<b>Role models in <i>very close</i> social network</b>	<b>Role models in <i>close</i> social network</b>	<b>Role models <i>who are not known personally</i></b>
Parents	Aunties and uncles	Inspiring entrepreneurs
	Friends	
Siblings (brothers and sisters)	Boyfriends and girlfriends	
	Teachers / lecturers	

The answers from a total of 291 samples for each of the construct of actors with the invalid / missing answers ranging from 11 - 20 shows the findings as the following.

#### 6.6.1.1. Degree of Influence from Actors in Students' Very Close Social Network

As mentioned above, actors in students' very close social network are their *parents* and *siblings*, either brothers or sisters. A comparison of both of these actors in influencing students to become an entrepreneur is shown in the following results and exposition.

#### 6.6.1.1.1. Parents Influencing Role

278 students answered the question whether their parents were influencing them most to become an entrepreneur. There were 13 invalid / missing answers from a total of 291 samples who took part in the research. The result of a 1-4 Likert scale regarding this question which is first analysed by using the frequency table shows the following.

Table 6.23  
Parents Influence to Become an Entrepreneur

		Frequency	Percentage	Valid Percentage	Cumulative Percentage
Valid	1 = Very influential	131	45.0	47.1	47.1
	2 = Influential	93	32.0	33.5	80.6
	3 = Not so influential	47	16.2	16.9	97.5
	4 = Have no influence	7	2.4	2.5	100.0
	Total	278	95.5	100.0	
Missing System		13	4.5		
Total		291	100.0		

The table shows that most of the students view their parents as the person who can influence them most to become an entrepreneur. This result is understandable. Indonesian culture and norms have made the family ties together and relationships are very strong, in which every member of the family is very close to one another. This puts the parental figure as the central actor who can influence children in every part of their life, including choosing alternative jobs for a future life. A further interview with the students who had expressed that their parents had no influence at all in influencing them to become an entrepreneur (7 students), revealed that their parents had no interest in entrepreneurship at all. As a result, parents cannot give any ideas regarding entrepreneurship and therefore they have no influence to motivate their children to enter into an entrepreneurial career. Children / the students tend to choose other figures as an actor who can influence them to become an entrepreneur.

#### 6.6.1.1.2. Siblings Influencing Role

The finding of the Questionnaire One shows that students who answer this question are 271 students out of 291 students. There are 20 invalid / missing answers (6.9%) in relation to this question. The following table can show an opinion from students regarding this question.

Table 6.24  
Siblings Influence to Become an Entrepreneur

		Frequency	Percentage	Valid Percentage	Cumulative Percentage
Valid	1 = Very influential	47	16.2	17.3	17.3
	2 = Influential	117	40.2	43.2	60.5
	3 = Not so influential	81	27.8	29.9	90.4
	4 = Have no influence	26	8.9	9.6	100.0
	Total	271	93.1	100.0	
Missing System		20	6.9		
Total		291	100.0		

The table shows the reality that most of the students think their siblings can influence them to become an entrepreneur but unfortunately, they are not a person who is the most influential with the students. The findings showed that siblings are in only a '*moderate position*' this means they can give insights but have no personality power to influence the student to become an entrepreneur. This can be seen in the smaller absolute number of students who think that their sibling is the most influencing actor for them to become an entrepreneur. On the other hand, the result also shows that students who think that their sibling has no influence at all in influencing them to become an entrepreneur (twenty six students) are bigger compared to those who answered that the parents had no influence in influencing students to become an entrepreneur (please refer to table 6.23 which shows only seven students thought that their parent has no influence on the students to become an entrepreneur).

Analysing and comparing both of the results (parental influence and sibling influence) we can conclude one thing: the higher status of person in the students' very close social network (i.e. family) tend to put them as the actor who can give the biggest influence to students to become an entrepreneur and which can be seen in the expression from students that their parents are appointed as the most influential person that influence them to become an entrepreneur.

#### **6.6.1.2. Degree of Influence from Actors in Students' Close Social Network**

The second analysis to measure the influence of actors within students' social networks concerned actors in students' *close* social network. According to the construct of the role model that was set up in the previous chapter, the actors in students' close social network are: *aunties and uncles, friends, boyfriends and girlfriends and teachers / lecturers*. The first analysis uses the descriptive statistic where students were given several possible choices of answer on a 1-4 Likert scale (very influential, influential, not so influential and have no influence at all).

Students' opinions regarding degree of influence from actors within their *close* social network is explained as follows.

##### **6.6.1.2.1. Uncles and Aunties Influencing Role**

As other previous parts which described the influence of each possible actor, this part analyses the degree of influence of *uncles and aunties* for students' entrepreneurial motivation. Uncles and aunties were stated as one construct although they are two individuals. This is based on the reason that their familial status is an equal.

The results and findings of the research show 273 students answering the question with 18 invalid / missing answers. An analysis of descriptive statistic for this part shows the following.

Table 6.25  
Uncles and Aunties Influence to Become an Entrepreneur

		Frequency	Percentage	Valid Percentage	Cumulative Percentage
Valid	1 = Very influential	43	14.8	15.8	15.8
	2 = Influential	98	33.7	35.9	51.6
	3 = Not so influential	97	33.3	35.5	87.2
	4 = Have no influence	35	12.0	12.8	100.0
	<b>Total</b>	<b>273</b>	<b>93.8</b>	<b>100.0</b>	
Missing		18	6.2		
<b>Total</b>		<b>291</b>	<b>100.0</b>		

Table 6.24 shows that the number of students who think that their uncles and aunties are the most influential constructs that can influence or are not so influential to their entrepreneurial motivation are relatively equal. Ninety eight students think that the uncles and aunties are influencing them, whilst another 97 of them think the uncles and aunties are not so influential for them to become an entrepreneur. The numbers of students who positively and negatively view their uncles and aunties as influencing persons for students to become an entrepreneur are relatively low.

The results show that most of the students, uncles and aunties are positioned at a *moderate level of influence*. Uncles and aunties cannot act as the suitable person to influence the students the most to become an entrepreneur. As the finding shows, most of students put uncles and aunties only in a moderate position of influence.



#### 6.6.1.2.2. Friends Influencing Role

Students who answered the question regarding friends as the most influential person for them to become an entrepreneur are 275 students out of 291, with 16 invalid / missing answers. Compared to uncles and aunties, students think that their friends are in a better position to influence them. Though friends are not the most influential person, their position is better than uncles and aunties in influencing students to become an entrepreneur. The following descriptive table shows this result.

Table 6.26  
Friends Influence to Become an Entrepreneur

		Frequency	Percentage	Valid Percentage	Cumulative Percentage
Valid	1 = Very influential	63	21.6	22.9	22.9
	2 = Influential	115	39.5	41.8	64.7
	3 = Not so influential	68	23.4	24.7	89.5
	4 = Have no influence	29	10.0	10.5	100.0
	Total	275	94.5	100.0	
Missing System		16	5.5		
Total		291	100.0		

As shown in the table, students do not think that their friends are the most influential actors for them to become an entrepreneur. 115 students viewed only their friends as the influential person, which shows that friends are also put in a *moderate position* in influencing others to become an entrepreneur.

#### 6.6.1.2.3. Boyfriends and Girlfriends Influencing Role

From 271 students who answered this alternative, it tends to be that boyfriends and girlfriends cannot influence students to become an entrepreneur. Most students viewed boyfriends and girlfriends to have no influence at all for them to become an entrepreneur

(83 students) while 69 of them think their boyfriends and girlfriends as ‘not to influence’ them become an entrepreneur. This tendency is shown in the following table.

Table 6.27  
Boyfriends and Girlfriends Influencing at Most to Become an Entrepreneur

		Frequency	Percentage	Valid Percentage	Cumulative Percentage
Valid	1 = Very influential	48	16.5	17.7	17.7
	2 = Influence	71	24.4	26.2	43.9
	3 = Not to influence	69	23.7	25.5	69.4
	4 = Have no influence	83	28.5	30.6	100.0
	Total	271	93.1	100.0	
Missing System		20	6.9		
Total		291	100.0		

It can be seen in the table that most students viewed their boyfriends and girlfriends to be in *the negative position* to influence them to become an entrepreneur. In other words, boyfriends and girlfriends cannot influence their decision as to whether or not to become an entrepreneur. This suggests that students are able to separate emotional proximity from logical and rational business decisions. This also proves that logically and rationally, students cannot be influenced by their current partner in making a decision for their future career as they think that deciding upon a future career is their own decision.

#### 6.6.1.2.4. Teachers / Lecturers Influencing Role

In this part students were required to answer whether they view their teachers / lecturers as the most influential person for them to become an entrepreneur. Following Questionnaire Two regarding this, the results show 276 students answered the question and 15 did not. Furthermore, more than half of students viewed their teachers / lecturers

in a positive sense, which means that teachers / lecturers are in a possible position to influence them to become an entrepreneur. Although they are not the most influential one, students tend to put them as an actor who can influence them to become an entrepreneur. The detailed results of this part can be seen below.

Table 6.28  
Teacher / Lecturers Influence to Become an Entrepreneur

		Frequency	Percentage	Valid Percentage	Cumulative Percentage
Valid	1 = Very influential	87	29.9	31.5	31.5
	2 = Influential	136	46.7	49.3	80.8
	3 = Not so influential	43	14.8	15.6	96.4
	4 = Have no influence	10	3.4	3.6	100.0
	Total	276	94.8	100.0	
Missing System		15	5.2		
Total		291	100.0		

*The positive sense* of students in viewing their teachers / lecturers as people who can influence them to become an entrepreneur can be seen from the fact that more than half of them agree that teachers / lecturers can influence their motivation to become an entrepreneur. One third of students even treat teachers / lecturers as the most influential person to become an entrepreneur.

#### 6.6.1.2.5. Summary of the Result

The analysis that was done to construct the role models in students' close social network have come up with the summary that uncles and aunties as well as friends tend to be viewed in the *moderate sense* by the students in influencing their motivation to become an entrepreneur. This means that uncles-aunties and friends *can influence* students, but

they are not the most influential person. They can influence the students by giving insights on an entrepreneurial career but they have no personality power to encourage them any further to enter into entrepreneurial career.

The position and status of teachers / lecturers within students' close social networks have made students treat them in a more *positive sense* to influence them for a future career to become an entrepreneur. In other words, teachers / lecturers potentially can be used as the most influencing person for students to become an entrepreneur. The position is rather different for boyfriends and girlfriends. Students view them more in a *negative sense* to influence them to become an entrepreneur. In other words, boyfriends and girlfriends are not the person who can influence the entrepreneurial motivation of the students.

The results and findings of the research regarding the construct of role models within students' close social network also shows that the higher status of a person in students' close social network (according to students opinion) tend to give a more positive sense to students in influencing them to become an entrepreneur. This was proven in students' expressions regarding their teachers / lecturers, uncles / aunties, friends and boyfriends / girlfriends.

#### **6.6.1.3. Degree of Influence from an Actor who is not known by Students**

Following the construct of role models that had been previously set up in the research methodology, the actor is the *successful entrepreneur*. Their figure as a person, who is not known personally by the students, can be found by the students themselves by exploring their success stories on how they can be a successful entrepreneur. The

research asked about the influence of stories about successful entrepreneurs found in the media, books, articles and other kind of exposure as the means of becoming aware of ‘successful entrepreneurs’ as to be possible role models for them.

The result of the research shows a very *positive sense* from students about the successful entrepreneurs in influencing them to become an entrepreneur. This can be seen in the expression from most of the students who viewed that successful entrepreneurs are influential on them becoming an entrepreneur. There was no students who viewed a successful entrepreneur had no influence on them to become an entrepreneur. This means, in smaller to greater degrees, successful entrepreneurs will influence students to become an entrepreneur. Table 5.28 shows the details.

Table 6.29  
Successful Entrepreneurs Influence to Become an Entrepreneur

		Frequency	Percentage	Valid Percentage	Cumulative Percentage
Valid	1 = Very influential	192	66.0	68.6	68.6
	2 = Influential	80	27.5	28.6	97.1
	3 = Not so influence	8	2.7	2.9	100.0
	Total	280	96.2	100.0	
Missing System		11	3.8		
<b>Total</b>		<b>291</b>	<b>100.0</b>		

The table clearly shows that more than half of students considered that successful entrepreneurs are very influencing in them becoming an entrepreneur. The tendency of very *positive senses* (influence to very influence) from students is also followed by the fact that there are also a big number of students who think that successful entrepreneurs can influence them to become an entrepreneur (those 80 students).

#### 6.6.1.4. Summary

Summarizing the findings and results in this part, we can state the following:

1. The degree of influence from actors within the very close and close social networks of students in influencing them to become an entrepreneur depends *on the status of the actors* in the social network. The higher status of an actor will put him or her in a higher tendency to be treated as a person who can most influence students to become an entrepreneur. This can be seen in the finding for parents and teachers / lecturers.
2. The degree of influence from each actor can be identified in three possible senses: positive, moderate and negative. The positive sense relates to the possibility of very high influence given by a person to students to become an entrepreneur. The moderate sense relates to normal influence, where a person can give an insight but cannot influence the decision, to become an entrepreneur. In contrast, the negative sense relates to negative influence given by a person to students in influencing them become an entrepreneur.
3. Putting the results and finding of the research regarding possible degree of each construct of role model in one table, the position of each construct is defined below:

Table 6.30  
Position of Each Construct of Role Model Related to Their Influence on Students to  
Become an Entrepreneur

No	Possible Degree of Influence	Construct of role models according to their proximity to students						
		Very Close		Close				Not Known Personally
		Parents	Siblings	Uncles / Aunties	Friends	Boy- / Girlfriends	Teachers / Lecturers	Successful entrepreneurs
1	Positive	√					√	√
2	Moderate		√	√	√			
3	Negative					√		

The position of each construct of a role model in a relationship with its possible degree of influence can define whether an actor brings a positive, moderate or negative influence to students to become an entrepreneur. Parents, teachers / lecturers and successful inspiring entrepreneurs are considered to give a positive or very positive degree of influence to students. Siblings, uncles / aunties and friends tend to give a moderate or negative influence to students. By contrary, boyfriends and girlfriends give a negative influence to students to become an entrepreneur. This means that students viewed their boyfriends or girlfriends as having little influence on them in the decision to become an entrepreneur.

#### 6.6.2. Ways of Influence

After the identification of those actors who can influence students to become an entrepreneur, together with an analysis of the degree of influence that they can give, the next consideration is how each actor can influence students. By ‘ways of influence’ we mean the possible activities that can encourage students to enter into an entrepreneurial career.

Students were asked to choose from a set of possible answers and scale their answer in using a 1-5 Likert scale, where 1 means most influential and 5 means has no influence at all. Possible answers in respect of influencing were arranged in the following statements:

1. Daily activities
2. Overviews / opinion / mind-set to become an entrepreneur
3. Behaviour and attitude
4. Motivation on how to become an entrepreneur
5. Suggestions to become an entrepreneur
6. Practical matters related to business operation

Not-valid / missing cases from students answering this question range from 10 to 14 out of a total 291 samples of the research.

In this part, the analysis was done by using statistics of each way of possible influence. These are used to identify and summarize which are the most influential ways that can influence students to become an entrepreneur. The analysis is centred on students who viewed that they can identify the way in which each actor influences them to become an entrepreneur.

Statistical analysis of the research results regarding the ways to influence students to become an entrepreneur shows that most of the students view *motivation* that has been given by the role model construct as the most influential way for them to be encouraged to become an entrepreneur. This is proven by mean, median and mode values of the data. The lower the average value means the greater the motivation.

Details of the statistical results are shown below.



Table 6.31  
Statistics on the Ways for Influencing Students to Become an Entrepreneur

		Daily activities	Overviews, opinions and mind-set	Behaviour and attitude	Motivation	Suggestions	Practice in business
N	Valid	277	279	278	281	277	278
	Missing	14	12	13	10	14	13
Mean		2.13	1.88	1.95	1.62	2.06	1.98
Median		2.00	2.00	2.00	1.00	2.00	2.00
Mode		2	2	2	1	2	2
Max. Influence		1	1	1	1	1	1
Min. Influence		5	5	5	5	5	5

These results are based on a 1-5 Likert scale, where 1 shows the maximum degree of influence and 5 shows the minimum degree. It can be seen from the statistics that *motivation given by actors has the greater impact* compared to other ways (daily activities, overviews, opinion and mind-set, behaviour and attitude, suggestions and practice in business). Students agree they are influenced by all six factors, but they view that the way the actors motivate them as the most influential way for them to become an entrepreneur. This can be an early sign that the motivation from actors, in particular role models, can increase the possibility of the students becoming an entrepreneur after graduation.

## 6.7. Identification and Influence of Role Models

### Introduction

Further questions in Questionnaire One asked students about their role models. This started from the identification of role models personally, the question as to why the person had become their role model; the degree of role models' influence; types of role

model attributes that can influence them the most; and influence on their daily life. The questions were *close-ended, semi-opened and open-ended*.

Detail analysis results of the Questionnaire One show the following findings.

### **6.7.1. Identification of Role Models**

The identification of role models comprised 3 questions. The first is whether the students can identify their role model, the second is the identification of the person as the role model, and the third is the reason why they treat that person, or persons, as role models.

Two hundred and eighty one students out of 291 completed the question, with 10 not-valid / missing answers. All of 281 students stated that they could identify their role model. This means 281 students – 100% of valid answers can identify their role models. The only difference is regarding identification of the person who they treat as role models.

To answer the question on the identification of a particular person who can be a role model, students were given the option to choose from a set of possible answers from several possible constructs of role models as outlined in the research methodology (see Table 5.1.). The constructs are:

1. Parents, specifically father *or* mother
2. Sibling
3. Uncles / aunties
4. Teachers / lecturers
5. Boyfriend / girlfriend
6. Entrepreneurs
7. Other friend

Students were also given the option to answer “other” construct of role model different from those constructs. They are free to write this down as an open answer.

Students consider that their *parents, particularly the father*, are treated as their main role model. Although some students identified and treated *the mother* as their role model, the number of students who took this view was fewer than the students who viewed that their father is their role model. Compared to other constructs of role model, in particular the *entrepreneur*; students think that entrepreneurs are more important than the mother to be treated as the role model to become an entrepreneur.

The next most important constructs who are treated as a role model are teachers / lecturers and uncles / aunties. Presumably, friends and boyfriend / girlfriend are not in a strategic position to become the role models for students to become an entrepreneur. They are irrelevant when it comes to being treated as the role model and so influencing students to become an entrepreneur.

The following table shows this result in detail.

Table 6.32  
Identification of Role Model

		Frequency	Percentage	Valid Percentage	Cumulative Percentage
Not-Valid		10	3.4	3.4	3.4
	Boyfriend / Girlfriend	1	.3	.3	3.8
	Entrepreneur	94	32.3	32.3	36.1
	Father	127	43.6	43.6	79.7
	Friends	5	1.7	1.7	81.4
	Mother	23	7.9	7.9	89.3
	Sibling	5	1.7	1.7	91.1
	Teachers	15	5.2	5.2	96.2
	Uncles-Aunties	11	3.8	3.8	100.0
	Total	291	100.0	100.0	

The table clearly shows that *the father* is the person who is chosen by most of the students to be treated as their role model. Together with the mother, both of them as *the parents* are chosen by more than half of the students to be treated as their role models to become an entrepreneur. The very close relationship which allows very close daily interaction, parental and family relationship, parental status and cultural background make this result one that can be commonly accepted and understood within the Indonesian cultural context.

The next most important person who is treated as a role model by the students is the *entrepreneur*. Status and network, a working performance which has resulted in financial wealth / welfare, independency, fighting spirit and a never give up attitude seem to be chosen as the reasons why the students treat entrepreneurs as their role model. On the next level down, there are *teachers / lecturers* and *uncles / aunties* who are treated as role models by the students. Interestingly, *siblings, friends* and *boyfriends / girlfriends* tend to have no significant position to be appointed and treated as appropriate role models by the students.

#### **6.7.2. Role Models and Their Degree of Influence**

In this part, students were asked to identify the degree of influence of their role model. The degree of role model influence was set up as a close-ended question comprised of 4 possible options; very big, big, not too big and very small. As this is a close-ended question, there is no option for student to offer any other answers.

The cross tabulation table between the identification of role models and their degree of influence on students' motivation to become an entrepreneur is shown below.

Table 6.33  
Identification of Role Model and Their Degree of Influence

		Degree of the influence of role models					Total
		Very big	Big	Not too big	Very small		
Who is / are your role model / s?	Boyfriend / Girlfriend	1	0	0	0	0	1
	Entrepreneur	21	60	13	0	0	94
	Father	74	50	3	0	0	127
	Friends	4	1	0	0	0	5
	Mother	12	11	0	0	0	23
	Sibling	1	4	0	0	0	5
	Teachers	5	10	0	0	0	15
	Uncles-Aunties	2	8	1	0	0	11
	Missing	0	0	0	1	9	10
Total		120	144	17	1	9	291

Degree of the influence of role models is identified as very big, big, not too big and very small. Due to the relative meaning of each of the degree of the influence among students (and people), they can answer what is the best according to their opinion and they are free to define each of the category of the influence. However, to control students self-identification regarding the degree of the influence, the ‘very big influence’ is meant as the biggest influence that can be given by role models to students, which can change their mind-set, attitude, overview, the choose for a future life and career and can guide them for a future life. The big influence is meant as the influence that is given by their role models, which gives them a possible overview for an alternative future life and career with a possible guidance for a future life and career. Meanwhile, the ‘not too big influence’ is meant as the influence that cannot be guaranteed to be viewed and used by the students as the guidance for their future life and career. The ‘very small’ influence is considered as the opinion that students just only let the construct of role models to

inform them about something (mind-set, attitude, overview and guidance for a future life and career) but with a bigger possibility that they will not consider that information.

We can see from table 6.33 that the father has a very big influence on students' motivation to become an entrepreneur. Entrepreneur and mother are also in significant position to become as role models considering their very big degree of influence. A different situation is found for those students who viewed the degree of their role model influence as big. For these students, entrepreneurs are in important position rather than other construct of role models.

Identification of the degree of influence for each role model has shown that almost all of the students viewed that their role model has big and very big influence on their motivation to become an entrepreneur. This is, of course, a positive sign of a relationship between the existence of a role model and students' motivation to become an entrepreneur.

### **6.7.3. Reason for Treating People as a Role Model**

Question Two of the research also asked students their reasons for treating someone as their role model. Four possible answers as Gibson (2004) were offered: *charisma*, *reputation*, *media exposure* and *peer pressure*. Therefore, the question was formed as a close-ended question, where students were asked to choose only one possible answer according to their opinion and judgment.

Questionnaire Two shows that *charisma* of a person is the most acceptable reason viewed by the students in treating someone to become their role model. *Reputation* is the second significant reason for the students. Details of the findings are shown in the following table.

Table 6.34  
Reason to Treat Other Individuals to Become a Role Model

		Frequency	Percentage	Valid Percentage	Cumulative Percentage
Valid		9	3.1	3.1	3.1
	Charisma	160	55.0	55.0	58.1
	Reputation	83	28.5	28.5	86.6
	Media exposure	14	4.8	4.8	91.4
	Peer pressure	25	8.6	8.6	100.0
	Total	291	100.0	100.0	

There are 9 not-valid / missing answers from samples in answering this question. A further interview with students offered specific insights *that characteristics of charisma* (self-confidence, vision, articulation of vision, strong convictions, unconventional behaviours, perceived as an agent of change and sensitivity) and *characteristics of reputation* (age, motivation, relationship and network, trust, commitment, satisfaction and control mutuality) are the reasons that have made students treat an individual as their role model.

#### 6.7.4. Impact of Role Model to Students' Daily Life and Future Plan

The last question asked the students regarding their opinion and expression of the possible impact and influence of their role model to their daily life and future plans. This question was a semi-opened question and related to how far the students can realize the impact and influence of their role model to their personal life, career and plan.

In this question, students were provided with several possible answers that they could choose, together with a free space if they wanted to express other views. There were seven options from which respondents could choose:

## 1. Overview of the future life.

In contrast with students from western countries, Indonesian students mostly do not know (yet) what they would do in their future life, especially after they have graduated. Some students are going to the university just to follow their parents' wishes and/or to fulfil an obligation for studying. Some even think that going to university will delay the time for an unemployment and at the same time, this period can be a period for "loading the guns" before entering the battlefields of searching for a job (which is difficult to get). This situation has made students fragile and confused; they still do not know what they will do in their future life. The existence of role models can give them an overview (and inspiration as well) for what they will do in the future. It also means that role models can influence students' opinion and state of mind to the possibilities for both the future and what they can do in the future. To simplify, a role model can be a 'candle in the dark' for the students that can lead them to decide about their future life.

## 2. Guidance for the future life

A role model can also take a position as a guide of the students for their future life. In this matter, they can be a pattern for the students and give practical advice, such as introducing network etc. This is in contrast to (1) above which is more about inspiring the students, the role model here tending to influence students by giving something practically oriented.



### 3. Changing perspectives and attitude towards an entrepreneurial career

It can be explained that role model change students' perspectives and attitudes towards entrepreneurial careers by giving examples of how to prepare and manage a career to become an entrepreneur efficiently and effectively. A simple example can be used. It can normally be found that as students, time management is still under attention. A role model can change the perspectives and attitudes of the students in how to manage their time effectively and efficiently if they want to enter into an entrepreneurial career and be successful entrepreneurs.

### 4. Changing beliefs about an entrepreneurial career.

It is often found that students want to enter into employment (public or private) after university. *For years, a career as an employed people have been viewed as prestigious, had high status and the most important thing: the salary can secure their future and provide a pension at the end of their working life.* This view has arisen over a long time in Indonesia and has made a career as an entrepreneur undervalued. The condition of Indonesian culture which is still in feudal system has made this view grow more popular over the years.

Fortunately, this has reduced in the last 10-15 years. Employment in the public and private sector is more difficult to obtain. Economic and financial crisis and other social political turbulence have also played a part in creating difficulty in getting jobs. As a result, more people turn their head and change the orientation of their life to become an entrepreneur. Most of them are successful and even become public figures because of their success. Entrepreneurs were then entering all sectors of the Indonesian system and life because of their

performance. They have become parliament members, having special sessions on the TV shows and media, donated money to social institutions, become visiting lecturers, participated as members of organizing committees in sport and educational institutions etc. These are all positive achievements which have made young people, especially those who are in higher education institutions; turn their career objective towards becoming an entrepreneur. They now believe that becoming entrepreneurs is also prestigious, it has a high status, delivers fame and high financial rewards so that they can secure their life for years and they can make a positive difference to the community.

#### 5. Changing future plans to become an entrepreneur

The most common case in Indonesia regarding future plans for the children is related to the parents' intentions and desires for their children's future plans. Most parents still think that the best outcome that they decide and view will automatically be the best for their children's future life. It is now more common to find that children sometimes do not want to follow their parents' intention and desires for their future life but still believe that they have to follow their parents' wishes.

This also happens to students' future plan after they completed their higher education. Most parents want their children to become *workers* and secure a place in public or private institutions. Rare exposure to successful figures also contributes to the condition that children have no comparison for their possible future life.

Nowadays, this tendency has changed. Economic limitations on the one side and real possibilities on the other side, as well as public exposure on successful

figures, have made children start to realize that there are other possibilities for their future plans and life. Equally, parents have realized that a job in a public or private institution has become more and more difficult to get. Simultaneously, their old paradigm has slowly changed. Parents do not only prepare their children to get ready to enter in an employment market but also put a particular attention to prepare and support their children to become entrepreneurs.

6. Entrepreneur's job fits my personality and characteristics

This possible construction of an answer is based on the firm-belief that everybody is different to one another. Personality and characters are different – and therefore they can be used as the reasons when someone chooses different jobs and work. Some students have thought that working as an employee will not make them comfortable (as they are positioned as a subordinate of somebody else) and therefore they want to have other jobs that can suit their personality and characters.

7. Similarity of value between myself and an entrepreneurial job.

An entrepreneurial job, more or less, must have positive and negative values that can be accepted or tolerated by individuals. In the case of positive values, individuals will accept them without any consideration whilst in the case of negative values; individuals tend to accept and just try to tolerate them although it depends on the values that individuals have. Some students who have got suitable information about an entrepreneurial job and work, think that it brings 'positives' because it is similar to the values that they have. Therefore they also want to enter into an entrepreneurial job.

Bringing into the research, the identification of the impact / influence that was given by the role model shows a positive expression from students regarding the existence of a role model. The father is a very significant person to give overviews about the future life to become an entrepreneur. Their Mother, as well as Father, also plays important roles to contribute to an overview of the future life of the students. Teachers / lecturers are also in an important position to influence overview of the future life of the students. In this regard, most of the students view their role models positively in influencing them to overview their future life to become an entrepreneur.

A role model is also important as guidance for the future life and changes beliefs regarding an entrepreneurial career. The entrepreneur in this position is very significant in helping students to change their beliefs regarding an entrepreneurial career

Full details of the students' opinion and expressions regarding the influence and the impact given by the role model to their daily and future life are shown in the following cross tabulation.

Table 6.35  
Students' opinion and expression regarding influence and impact given by the role model to  
their daily and future life

		Who is / are your role model / s?									Total
		Boyfriend / Girlfriend	Entrepreneur	Father	Friends	Mother	Sibling	Teachers	Uncles- Aunties	Other	
Form of influence that have been given by role models	Overview of the future life	0	25	65	1	11	0	9	4	1	116
	Guidance for the future life	0	11	42	2	10	3	2	1	1	72
	Changing perspectives and attitudes toward entrepreneurial career	1	18	6	1	0	0	2	4	0	32
	Realise that entrepreneurial career is a fit with their personality & characters	0	6	3	0	0	0	0	0	0	9
	Changing beliefs about entrepreneurial career	0	30	3	1	2	2	1	2	0	41
	Similar value regarding entrepreneurial career	0	4	7	0	0	0	1	0	0	12
	Not-valid / missing	0	0	1	0	0	0	0	0	8	9
Total		1	94	127	5	23	5	15	11	10	291

### 6.8.1. Correlation between each Construct of Role Model and Students' Entrepreneurial Motivation

#### Introduction

Correlation is the main method of analysis of the research. It tries to find the relationship and the influence of the role model on students' entrepreneurial motivation. As previously stated in Chapter 5, this is described in the following statistical quotation:

$$EM = f(RM)$$

Where:

EM = Entrepreneurial Motivation

RM = Role Model

Correlation is analysed between the existence of each role model construct and its relationship to students' entrepreneurial motivation. The research views that it is reasonable to use correlation analysis to show the relationship between two or more variables – between independent and dependent variables which have a causal relationship between each other.

This is in line with the choice of data analysis in the research which is *simple causal relationship* between two variables, where an independent variable (Y) is influencing the dependent (X), as shown below.

$$X \Rightarrow Y$$

or

$$X = f(Y)$$

Y represents role model (RM) and X represents entrepreneurial motivation of the students (EM).

The coefficient of the correlation analysis shows the degree in which two or more vary together or oppositely. It ranges from coefficient -1 to +1, in which -1 means perfect insignificant oppositely and +1 means that the variables have a perfect and positive relationship. Both these ranges indicate that variables are completely dependent. The values of 0 mean that the variables are completely independent. The research uses the linear correlation analysis (Pearson correlation) and nonparametric correlation (Kendall's tau\_b and Spearman's rho) as the instruments of its correlation analysis.

The results of a statistical correlation between each construct of a role model and students' entrepreneurial motivation are shown below.

#### **6.8.1. Parents and Entrepreneurial Motivation**

Parents have very strong significant positive correlation on students' entrepreneurial motivation. Pearson correlation, as the simplest linear correlation method for two variables, shows a value of 0.246 with Sig (2-tailed) 0.000. As the coefficient of this correlation ranges from -1 to +1 with 0 indicates no correlation, this finding shows that parents have significant positive correlation on the students' entrepreneurial motivation.

Kendall's Tau\_b as an instrument to show nonparametric correlation shows a value of 0.209 with Sig. (2-tailed) of 0.000. Its values range from -1 as the sign of full negative association to +1 as the sign of a 100% positive association. The value of 0.209 with Sig. (2-tailed) 0.000 that have been found in the research also shows that parents have significant positive correlation on the students' entrepreneurial motivation.

The other nonparametric statistical instrument, Spearman's rho, shows the value of 0.227 with Sig. (2-tailed) 0.000. Correlation between the existence of parent and

students' entrepreneurial motivation is positively associated in the same direction. It means that the tendency of students' entrepreneurial motivation will increase if existence of the parental influence is higher.

Full details of this finding are shown in Appendix 2.

### **6.8.2. Siblings and Entrepreneurial Motivation**

The existence of siblings is found to have no correlation with students' entrepreneurial motivation. This is shown in the result of Pearson correlation, Kendall's tau\_b and Spearman's rho that gave positive values but with Sig. (2-tailed) values more than 0.05. Pearson correlation shows a value of 0.106 with Sig. (2-tailed) 0.085. Nonparametric instruments' Kendall's tau\_b shows a correlation coefficient of 0.55 but with Sig. (2-tailed) 0.313 whilst the Spearman's rho shows a correlation coefficient of 0.062 with Sig. (2-tailed) 0.314. It can be seen that all of the coefficients have positive values but they all have Sig. (2-tailed) values more than 0.05. As it is known, a Sig. (2-tailed) value of more than 0.05 means there is no significant relationship between the two variables.

Full details of the statistical results regarding this can be found in Appendix 3.

### **6.8.3. Uncles / Aunties and Entrepreneurial Motivation**

The other role model construct that has been identified and measured in the research in relation to the topic is the existence of uncles / aunties and their relationship with students' entrepreneurial motivation. In short, the result of the research shows no correlation between the existences of uncles and aunties to students' entrepreneurial motivation. This was found in the results of correlation coefficients of statistical



instruments used in the research (Pearson correlation, Kendall's Tau\_b and Spearman's). Pearson correlation shows a positive coefficient of 0.039 with Sig. (2-tailed) 0.522 which clearly shows that there is no relationship between uncles / aunts and students' entrepreneurial motivation.

Coefficients of nonparametric correlation regarding this even show a negative value. Kendall's tau\_b shows a negative coefficient of -0.006 with Sig. (2-tailed) 0.919 whilst Spearman's rho has a negative coefficient of -0.005 with Sig. (2-tailed) 0.933. Both these findings have strengthened the Pearson correlation summary that there is no significant correlation between the variables of uncles / aunts and students' entrepreneurial motivation.

The statistical result of this finding can be found in Appendix 4.

#### **6.8.4. Friends and Entrepreneurial Motivation**

As uncles / aunts, friends also have no correlation with students' entrepreneurial motivation. The coefficient of Pearson correlation shows a value of -0.036 with Sig. (2-tailed) 0.560. This result is relevant to the results of nonparametric correlation instruments; Kendall's tau\_b and Spearman's rho which also show the same conclusion.

Kendall's tau\_b coefficient shows a value -0.027 with Sig. (2-tailed) 0.625 while Spearman's rho coefficient shows a value -0.030 with Sig. (2-tailed) 0.625. Both of these findings are strengthening the conclusion that there is no correlation between the existences of friends with students' entrepreneurial motivation.

The statistical result of this finding can be found in Appendix 5.

#### **6.8.5. Boyfriends / Girlfriends and Entrepreneurial Motivation**

The next possible construct of role model that has been identified and measured in the research is the existence of boyfriends / girlfriends. To some extent, some students think that their partner (boy- / girlfriend) can be used as their role model in several possible actions and decisions but whether he / she can be used to motivate them to choose an entrepreneurial career is not yet known.

The result and finding of the research shows that boyfriend / girlfriend has no significant correlation with entrepreneurial motivation of their partner. Coefficients of correlation (Pearson's, Kendall's tau\_b and Spearman's rho) reveal this. Pearson correlation shows a positive coefficient of 0.013 but with the Sig. (2-tailed) 0.835 which means no correlation between the variables. Nonparametric Kendall's tau\_b and Spearman's rho also show the same. Kendall's tau\_b coefficient is 0.006 with Sig. (2-tailed) 0.912 and Spearman's rho coefficient is 0.006 with Sig. (2-tailed) 0.917.

All of these three findings strengthen the conclusion that boyfriend / girlfriend have no correlation with their partner's entrepreneurial motivation. They can possibly act as a role model for other actions and decisions, but not to motivate their partner to become an entrepreneur.

Each coefficient of the analysis regarding this can be found in Appendix 6.

#### **6.8.6. Teachers / Lecturers and Entrepreneurial Motivation**

Teachers / lecturers are categorized as role models who are in the close social network of the students (similar to uncles / aunties, friends, boyfriends / girlfriends). Teachers / lecturers are considered to become a role model because they formally and academically can change future overviews and perspectives of the students. However, the statistical

analysis shows a different outcome in relation to entrepreneurial motivation. Students consider that their teachers / lecturers have no correlation to their entrepreneurial motivation, which can be seen in the results of the correlation analysis.

The coefficient of Pearson correlation shows a value of 0.075 but with Sig. (2-tailed) 0.219. Nonparametric correlation coefficients of Kendall's tau\_b and Spearman's rho also show the same thing. The coefficient of Kendall's tau\_b is 0.090 with Sig. (2-tailed) 0.103 while Spearman's rho coefficient is 0.099 with Sig. (2-tailed) 0.105

Those three coefficients are enough to show that teachers / lecturers have no significant correlation with students who are motivated to become an entrepreneur – the statistical result is shown in Appendix 7.

#### **6.8.7. Inspiring Entrepreneurs and Entrepreneurial Motivation**

An entrepreneur with his / her achievements, status, financial wealth, story and experience is positioned as a possible construct of a role model who can directly or indirectly influence students' entrepreneurial motivation. The research has arranged this construct as a role model who is known by students, but is not known *personally* by the students. Students know them from news exposé, biography, success stories and other media. They can live within the social network of the students but also can live further away from the students.

All of the statistical analysis to measure this comes up with the same conclusion that there is a significant positive correlation between the existences of an entrepreneur with students' entrepreneurial motivation.

The coefficient of the Pearson correlation shows a value of 0.216 with Sig. (2-tailed) 0.000 as the sign of a significant positive correlation between entrepreneurs and a student's entrepreneurial motivation. The nonparametric correlation coefficients also show the same. Kendall's tau\_b value is 0.282 with Sig. (2-tailed) 0.000 and Spearman's rho is 0.298 with Sig. (2-tailed) 0.000. Both of these have strengthened the conclusion that an entrepreneur has a positive significant relationship with students' entrepreneurial motivation.

This result can be seen in Appendix 8.

#### **6.8.8. Summary**

Correlation analysis between each role model construct and students' entrepreneurial motivation resulted in only two role model constructs having a positive relationship with students' entrepreneurial motivation. These constructs are parents (either father or mother – but mostly father) and successful inspiring entrepreneurs. Coefficient of correlation analysis done to the parents and students' entrepreneurial motivation showed a value of 0.246 with Sig (2-tailed) 0.000 (Pearson correlation). Kendall's Tau\_b as an instrument to show nonparametric correlation shows a value of 0.209 with Sig. (2-tailed) of 0.000 and Spearman's rho shows a value of 0.227 with Sig. (2-tailed) 0.000. Correlation between entrepreneur as other role model construct and students' entrepreneurial motivation showed a coefficient of Pearson correlation of 0.216 with Sig. (2-tailed) 0.000, Kendall's tau\_b value is 0.282 with Sig. (2-tailed) 0.000 and Spearman's rho is 0.298 with Sig. (2-tailed) 0.000. Those coefficient results demonstrate clearly that the two role model constructs which significantly and positively influence students' entrepreneurial motivation are parents and entrepreneurs.

Parents are categorised as a construct that live closely with students' very close social network, whereas an entrepreneur is the construct of a role model who can be unknown personally by the students. The result also demonstrated that no role model constructs from students' close social network that influences their entrepreneurial motivation. These were shown by the insignificant correlation coefficients between these constructs and students' entrepreneurial motivation.

## **6.9. Summary**

The results and findings of the research that were previously exposed in this chapter have demonstrated the following points:

1. The population and samples of the research are in line with the planning of the research and fulfil the criteria of the population and samples of the research. This can be seen by the exposition of numbers, profiles and background of the samples.
2. In the baseline information regarding students' overview about entrepreneurs and entrepreneurship, it can be stated that students are more knowledgeable about entrepreneur and entrepreneurship although some of them only have basic understanding of information and simplistic opinions.
3. Most students are living in an entrepreneurial social network, they have either family (very close social network) entrepreneurial background or have relatives (close social network) who are entrepreneurs or someone else who they don't know personally living in their neighbourhood but doing an entrepreneurial job (unknown person).

4. Students were learning several entrepreneurial characteristics based on their observation of entrepreneurs living in their neighbourhood.
5. Most of the students revealed that they have a plan to start a business and enter an entrepreneurial career. The difference among the students is only related to the timeframe within which they will realise.
6. The degree of influence from actors within the very close and close social network of students in influencing them to become an entrepreneur depends *on the personal status of the actors* in the students' social network. The degree of influence from each actor can be identified and placed into three possible senses: positive sense, moderate sense and negative sense. The positive sense relates the possibility of very high influence given by a person to students to become an entrepreneur and at the same time, encourages them to enter an entrepreneurial career – which can be found to be parents, teachers / lecturers and successful entrepreneurs. The moderate sense relates to normal influence (can influence students by giving insights on entrepreneurial career but have no personality power to encourage them any further to enter into entrepreneurial career). This can be found in siblings, uncles / aunties and friends. The negative sense relates to an influence given by a person to students in influencing them to become an entrepreneur – as shown by the existence of boyfriends / girlfriends.
7. The identification of role models that has been done by the students has shown that parents, especially the father, are the most common role model for students. Apart from parents, there are also entrepreneurs, teachers / lecturers and uncles / aunties as role models who are also strategically identified by the students to influence their motivation to become an entrepreneur.

8. Students revealed that *charisma* and *reputation* are the most relevant reasons for them to treat other individuals as a role model. These reasons are relevant to the results of the research which found that the personal status of an individual influences others to treat him / her as a role model. Personal status can be a result of a relationship, working performance, wealth / financial status etc.
9. Correlation analysis is the core analysis of the research which was intended to show the relationship between the existence of a role model and students' entrepreneurial motivation quantitatively. Coefficients of correlation analysis (Pearson's, Kendall's tau\_b and Spearman rho) for the existence of each construct of role model in relation with students' entrepreneurial motivation have proven that parents and successful entrepreneurs are the two role models that have a positive and significant influence on students' entrepreneurial motivation. This result shows the importance of both these constructs to be treated as very important role models to encourage students' entrepreneurial motivation.

## **VII. Analysis and Discussion**

### **Introduction**

This chapter analyses and discusses the findings and results that have been previously identified in Chapter 6. It comprises of six sub-chapters and begins with a consideration of the sample in relation to entrepreneurship and entrepreneurs. This is divided into four logic areas; an overview on entrepreneurs and entrepreneurship; entrepreneurial social networks; learning experiences of entrepreneurs and the possibility of an entrepreneurial career. The following five sections are then considered; identification of a person who can influence a future career; the ways of influence; the influence and impact given by role models; and the relationship between each role model construct, and students' entrepreneurial motivation. The analysis and discussion are based largely on the results and findings of the research as well as reviews and opinions of scholars.

### **7.1. Brief Information**

The analysis and discussion of the findings and results in this section concern the insights that the research sought about students' opinion about definitions of the entrepreneur. It is also used as an exposition to lead to further analysis and discussion concerning the core of this research which is the influence of role models on student entrepreneurial motivation. We discuss students' opinions about the entrepreneur; the background of the samples (in the form of their entrepreneurial social network); and learning experience from observing entrepreneurs.



### 7.1.1. Overview Regarding Entrepreneurs

As has been discussed in Chapter 6, the overview and opinions from the students regarding entrepreneurs and entrepreneurship were put into 10 (ten) categories. Their answers are mainly related to; (1) the traits and personality of entrepreneurs; (2) entrepreneurs as a new venture creator; and (3) motives-objectives in entrepreneurship. The link between the student overview of the entrepreneur and the opinion and overview of scholars is now analysed and discussed.

1. The entrepreneur is a person who is willing to take risks through innovation to get returns.

Answering the question about the definition of entrepreneur from this perspective means that the entrepreneur is defined from the perspective of *innovation*. This relates to the opinion of Cantillon in the 18<sup>th</sup> century who said that entrepreneur which came from the French word *entreprendre*, means *to undertake*. The entrepreneur is a risk taker and this can be seen in the occupations as a trader, merchant, farmer, craftsman and other sole proprietor.

Furthermore, Schumpeter (1934) also mentioned that the *entrepreneur is a recognised person who introduces innovation and changes*. Identifying the entrepreneur as a person who undertakes and produces innovations is related to one of the roles of the entrepreneur in both the economy and in the macroeconomic performance of a country and region. As mentioned by scholars, one important role of the entrepreneur is an agent of innovation (see Acs and Yeung, 1999 and Urata, 2000) and this can bring about a result in improving and maintaining the competitiveness of a country / region (see Schramm, 2004 and Baumol et al., 2007).

2. The entrepreneur is a person who has an idea, can scan opportunities, is able to allocate and utilise their abilities and resources to establish new ventures through the creation of new products and in so doing to achieve personal wealth.

From the definition of entrepreneur, this perception is related to the definition of entrepreneurs from the economic and management perspectives. As mentioned by Hébert and Link (1989), the entrepreneur from an economic perspective is defined as an individual who specializes in taking responsibility for and making judgmental decisions that affect the location, form and the use of goods, resources or institutions. From a management perspective, the perception of the entrepreneur is related to Sahlman and Stevenson (1991), who mentioned that the entrepreneur is an individual who identifies opportunities, assembles required resources, implements a practical action plan and harvests the reward in a timely and flexible way. Both those arguments have mentioned clearly that entrepreneurship is a process of input (person, idea, opportunities and resources), process (decision, allocation and implementation) and output (personal wealth and other rewards).

The results of viewing entrepreneurs from an economic and a management perspectives can be seen in the roles of entrepreneurs in the economic performance of a country such as in GDP, personal and family incomes, and structural economic transformation (see Acs and Yeung, 1999, Lafuente et. al., 2007, and Thurik, 2008).

3. The entrepreneur is a person who is independent, creative, 'brave', highly responsible, has self-esteem / self-confidence and motivation to success.

This perception is closely related to the traits, personality and characteristics of entrepreneurs as the success factors for new venture creation. As it has been well known and exposed in many literatures, the success factors of new ventures are influenced by internal and external environment factors, psychological factors and sociological factors (see Rotter, 1966, Gibb & Ritchie, 1985, McClelland 1987, Dyer 1994, Boyd & Vozikis 1994, Grant 1996, Dobbins and Pettman 1997, Watson, et. al. 1998, Henderson & Robertson 1999, Pena 2002, Bridge et. al. 2003, and Robertson 2003). All of the students' overview regarding those matters have been well documented previously by scholars and adds strength to the opinion from these scholars regarding traits, personality and the character of entrepreneurs.

#### **7.1.2. Entrepreneurial Social Network**

The findings of the research show that the entire sample is living in an entrepreneurial social network, which means that at least, there is an entrepreneur who is either a relative or non-relative of the students living in their neighbourhood. This finding is relevant and fits with criteria of the research which state that samples should live within an entrepreneurial social network. Living in an entrepreneurial social network allows the samples to observe entrepreneurs and this was critical for the research – as it needs to know, and get an insight on how and why the respondents appointed and treated other individuals as their role model.

In detail, the entrepreneurial social network of the students is indicated in the following three categories:

1. Students who have relatives who are entrepreneurs

These are people who are living in a close social network with the samples but they are not the core family members of the samples.

2. Students who have a family entrepreneurial background and experience

The research found that more than half of the samples live in an entrepreneurial family – where entrepreneurial culture, climate and support is found. Families are the closest social network of the samples; they consist of the father, mother and siblings. They are considered separately to relatives, who consist of uncles / aunties, cousin, brother / sister in law etc. The difference of these lies in the proximity of each individual to the students. Father, mother and siblings are considered to be very close to the students while uncles / aunties, cousins, brothers / sister in laws etc. are considered close to the students.

3. Students who have entrepreneurs as neighbours

There are also students who do not have relatives or family members as entrepreneurs but they are still valid to become a sample with this research. The reason is because they have an entrepreneur or entrepreneurs living in their neighbourhood.

Relating the insights about the entrepreneurial social network of the students to their opinion regarding entrepreneurs, and entrepreneurial work and jobs, it can be analysed that living in an entrepreneurial social network has benefited students in getting a better understanding about entrepreneurs and entrepreneurship. They know how to define entrepreneurs and entrepreneurship based on their own opinion through observing entrepreneurs' daily activities.

There is also a better insight found in the students who are living in an entrepreneurial social network concerning their understanding about entrepreneurial jobs and work. This is related mainly to the understanding concerning the attributes of entrepreneurs and the nature of entrepreneurship which can be viewed both positively and negatively.

The student entrepreneurial social network can, directly or indirectly, accelerate the process of *social influence* from individuals that they have observed. This will increase opportunities for the existence of figures to the students who, moreover, can be treated as role models. The process of social influence, as mentioned by Kelman (1961), is enacted through the processes of compliance (accepting influence from another person and in the hope of getting a favorable reaction), identification (adopting behavior from another person) and internalization (accepting influence from another person which is congruent with the recipient's value system). The situation of those students who are living in an entrepreneurial social network has helped those processes occur.

The findings of this research have demonstrated that the entrepreneurial social network of the student relates positively to their better understanding of the definition of entrepreneurs and entrepreneurial jobs and work. Students can make their own definition of an entrepreneur and can also reveal their opinion and overview about entrepreneurial jobs and work in detail. As a result, many of the students said that they also wished to become an entrepreneur.

It would be interesting to see whether this finding will also be similar to other samples, which are living within a different culture and social environment. As this research was only carried out with a single cultural background (i.e. the students who are living in the Indonesian culture, in particular, the Minangkabau culture which has a pre-existing

reputation as an entrepreneurial culture), it would be worth comparing the findings in this research to students living in other cultures and social environments.

### **7.1.3. Learning Experience from Entrepreneurs**

There are *ex-post* and *ex-ante* conditions that have been identified as relevant to the learning experience which students gain from entrepreneurs. The *ex-post condition* is related to the *factual* learning experience that is gained by the students *after* they have observed the entrepreneurs whilst the *ex-ante condition* is related to the *perceived* condition of students *before* they are starting to observe entrepreneurs.

In the *ex-post condition*, students revealed that they can learn entrepreneurial traits, personality and characteristics as the pre-condition to become an entrepreneur and to achieve success as an entrepreneur. These characteristics are fighting spirit and never give up, economic and business calculation, resource allocation, work as a group, self-confidence, innovation and creativity, opportunity recognition and responsibility. Some students also said that they learnt to be independent so they could make decisions, using intuition, generating bright ideas, friendship, and behaving honestly, wisely and with religiosity.

Those very clear and detailed factual learning experiences show that students can understand the benefits of becoming an entrepreneur and, on the other hand, benefit from proven opinion and findings from scholars in relation to how the characteristics and personality of entrepreneurs can affect the success of new ventures (Schumpeter, 1934, Brockhaus in Kent et. al., 1982, Baum and Locke, 1984, Dyer, 1994, Grant, 1996, and Dobbins and Pettman, 1997).

In the *ex-ante condition*, students revealed various answers that can be categorized into three categories. As a *positive answer*, some students perceived and expected that the learning experience can be used as their career inspiration with a further tendency that they will start a business within a short time period (1-2 years). Some of them perceived strongly that they would like to become an entrepreneur (in personality). In the *moderate answer*, students perceived that the learning experience can only be used as learning opportunities without any possible actions and plans to become an entrepreneur. Despite there not being many contradictory statements, some students also revealed a *perceived negative answer* after considering their learning experience from entrepreneurs. They think that learning from entrepreneurs is useless and therefore they will not take any positive possible actions and plans to become an entrepreneur.

Using the observation of entrepreneurs as a critical point, students can identify clearly conditions before (ex-ante) and after (ex-post) learning experiences through observation. Ex-ante conditions are mainly related to the *wishes* of students regarding their future life in relation to entrepreneurship. In the ex-post condition, these wishes have been transformed into a clear identification of *detailed-factual benefits* of that learning experience. This is shown in the ability to recognize the characteristics of entrepreneurs that the students have identified from observing entrepreneurs.

Though the research did not intend fully to find the mechanism in the chain process of *ex-ante conditions – learning experience from entrepreneur – ex-post conditions*, it does argue that learning experiences from the entrepreneur can directly, or indirectly, draw out a better understanding from students regarding the entrepreneur as a person and the choice of a possible future career in entrepreneurship.

#### 7.1.4. Entrepreneurial Career

There is tendency and intention of the students to choose an entrepreneurial career as a possible future career. The students revealed that they will enter into an entrepreneurial career at different times (one year to more than five years after graduation). This concludes one thing: students consider an entrepreneurial career as a possible future career but they have quite different time horizons for planning when to start their business.

Students are trying to find their own alternative way for a future career despite still living in a feudal culture. This being both reflected in a high power distance which encompasses being dependent on hierarchy; unequal rights between power holders and non-power holders; superiors in-accessible; leaders are directive; management controls and delegates. (See Hofstede, 2012 cultural dimension report on Indonesia) and the ‘fuzzy paradigm’ that works as an employee (either in government or private institutions) can result in higher status and financial wealth which still exists in Indonesia. The role of parents in influencing their sons and daughters future career has possibly started to decrease in contemporary Indonesian society as the consideration of the alternative to become an entrepreneur arises as a result of the difficulties in finding suitable permanent jobs and employment opportunities become very limited while in other hand, opportunities in businesses are wide open.

Whether students choose to enter into an entrepreneurial career because of their wishes or merely because of the very limited employment opportunities raises important issues. If the motivation and intention are coming from the students as *their wishes*, this will create conducive entrepreneurial climates where we can find in the future many successful young entrepreneurs and highly competitive small and medium scale



enterprises. Such *opportunity based on entrepreneurship* will be the result of profitable entrepreneurial opportunities, and intention of creating and seizing those opportunities (Timmons, 1999 and Shane and Venkataraman, 2000). However, if the students choose an entrepreneurial career merely because of the limited employment opportunities, it seems that the tendency of *necessity based entrepreneurship* will still exist. This condition will lead to the creation of fragile entrepreneurs and small and medium scale enterprises, which will be less competitive.

The results and finding of the research showed that the students would choose to enter into an entrepreneurial career as they wished for it. This can be explained in the common reasons why individuals choose an entrepreneurial career. Most of them need (and want) to be *independent* in their work, which proves that a feudal culture can no longer be considered as the main concern in choosing a future career. The reason of independence can also be an indication that students would like to be ‘the boss’ for themselves and their business, which will never occur if they are working in public or private institutions. These empirical reasons are similar and relevant to the study of Frese and De Kruiff, (2000) who argued that people in developing countries (like Indonesia) tend to enter into entrepreneurship because of their basic entrepreneurial goals such as independence / autonomy, acceptance of moderate risk taking and opportunity availability.

## **7.2. Identification of the Person who can Influence their Future Career**

Using the approach of role models that consists of cognitive and structural dimensions, Gibson (2004) was the basis for the consideration, and the construct of a possible role model in identifying the person who can influence them for their future career. This person can come from; (a) a very close social network, (b) a close social network and,

(c) someone who is not known personally by the students. As a reminder, the possible constructs are set out below.

Table 7.1  
Possible Construct of Person who Become the Role Model

Role Models		
Role models in <i>very close</i> social network	Role models in <i>close</i> social network	Role models <i>who are not known personally</i>
Parents	Aunties and uncles	Inspiring entrepreneurs
	Friends	
Siblings (brothers and sisters)	Boyfriends and girlfriends	
	Teachers / lecturers	

The results showed that parental influence is more important compared to siblings influence in students' very close social network. The analysis of this situation demonstrates that *the closest interrelationship* and *higher status* of a person in students' very close social network bring a very important influence to bear on the decision for their future career. The same result is also found for the person in students' close social network where *higher status* will deliver a bigger influence on students' future career choice. Part of this analysis is in line with the hypotheses H2 of this research which stated that:

*Closure mechanism is the most common mechanism for the students to treat and appoint other individuals as role models.*

Following Sorensen (2007), the research believes from the beginning that the *closure mechanism* is the most common pattern for individuals to treat other individuals as their role models. The closer individuals are to a person, the more likely they will treat and appoint him / her as their role model. We can see from the result and findings that

students perceive parents to be the closest people because they live together and interact with them daily. This allows more frequent interrelationships between students and parents compared to other constructs which makes the possibility of treating parents as the role model more likely (Barling, Dupre and Hepburn, 1998). There are siblings who also live with the students in their very close social network, but they have lower status compared to parents. In a feudal culture, and in particular in Indonesia, parents are still positioned as individuals who have higher status in the family structure over other individuals. In the latest cultural dimension report about Indonesia by Hofstede (2011), Indonesia is characterized as *a collectivist society* (in the continuum of individualism vs. collectivism) where Hofstede says that;

*“Indonesian children are committed to their parents, as are the parents committed to them all their growing lives. Their desire is to make their parents' life easier. There is a desire to take care of their parents and give them support in their old age. There is an Asian saying that is accepted in Indonesia, "You can get another wife or husband but not another mother or father". This family loyalty is also apparent in the fact that Indonesian families keep elders (such as grandparents) at home instead of sending them to any institution”.*

This cultural circumstance has meant that parents will have a bigger chance to gain higher and more respect compared to other family members and relatives and therefore, it is reasonable for the students to treat and appoint their parents as role models. This demonstrates that this closest relationship, which has arisen as the result of the frequent interrelationship and higher status, has made the position of parents very important in influencing the future career of the students.

The results from this have proved also hypotheses H.3.1. saying that:

*Individuals are to be considered important and relevant for the choice of entrepreneurial career by undergraduate students are the people within their very close social network, i.e. family members.*

Compared to the other construct of role models, parents are the most influential people who can influence the choice of a possible future career for students. As parents are one construct in the students' very close social network, then the result of this research is in line with the studies of Matthews and Moser (1996), Mallete and McGuiness (1999), and Morrison (2000) as cited in Kirkwood (2005) who argued that there is an increased likelihood of an individual becoming interested in entrepreneurship if there is a family background in business ownership. In addition, Morrison (2000) also argued that if one has previous experience of effects of entrepreneurship from their family member, they will be more prepared for entrepreneurship and on the other hand, family support can also make a positive contribution to an entrepreneurial mind-set.

Furthermore this analysis also applies to other individuals (such as lecturers) within the students' close social network where all of them are relatively in the same position, that is, close to the students but different in their perceived status. The findings of the research show that the teacher / lecturer as a construct has a relatively higher status rather than other constructs, and therefore they are treated as being more important in influencing the future career of the students compared to other constructs. A relatively different result can be seen in the construct of entrepreneurs. Students treat entrepreneurs not from a closure mechanism but more from status.

We can see here that the closer relationship or higher status (or both) will result in a tendency for someone to be appointed as a role model by other individuals. This argument is strengthened through the finding of the research (Table 6.31) which shows that *charisma and reputation* are the two most relevant reasons for individuals to appoint and treat other individuals as their role model. Others are *media exposure* and *peer pressure* (see Gibson, 2004). Research found that charisma is formed and will be found

through the frequent and closer interaction between individuals and their role models, while reputation will increase the status of a person. Parents, as the people who are very close to the students, represent the argument regarding the charisma, while entrepreneur is the best example of how reputation can be the reason for people to become a role model for other individuals.

The results and findings as well as analysis of the research, can lead to the relational concept of ‘*proximity and possible degree of influence*’ between students and their role model in influencing students to choose their future career. This concept is shown in the following table.

Table 7.2  
Proximity of the Role Model and Possible Degree of Influence  
for Students’ Future Career

No	Possible Degree of Influence for Future Career	Construct of role models according to their proximity to students						
		Very Close		Close				Not Known Personally
		Parents	Siblings	Uncles / Aunties	Friends	Boyfriends / Girlfriends	Teachers / Lecturers	Successful entrepreneurs
1	Positive	√					√	√
2	Moderate		√	√	√			
3	Negative					√		

Using Gibson’s (2004) concept of dimensional approach of role model as the foundation, the proximity of role model to the students is described as *very close*, *close* and *not known personally*. Each construct of role model is then identified and categorized based on its proximity to the students. Parents and siblings are categorized under the very close proximity status to the students while uncles / aunties, friends, boyfriends / girlfriends and teachers / lecturers are categorized under the close proximity

status to the students. A person who is not known personally by the students is considered as successful entrepreneurs.

Table 7.2 further shows that parents, teachers / lecturers and successful entrepreneurs give a positive influence to the students for the choice of their future career, i.e. to become an entrepreneur. Siblings, uncles, aunties and friends give moderate influence while boyfriends / girlfriends bring a negative influence to the students to become an entrepreneur. This will also strengthen the findings of the research stating that *closure and personal status of role model which resulted in charisma and reputation* are matters in influencing students to become an entrepreneur. Parents represent the argument of *closure which resulted in charisma*, while teachers / lecturers and successful entrepreneurs represent the argument of *personal status which resulted in charisma and reputation*. The findings of this research can also be related to the culture dimension of Indonesian people which is considered as a low masculine society (Hofstede, 2012), in which Hofstede says;

*“In Indonesia status and visible symbols of success are important..... and often it is the position that a person holds which is more important to them because of an Indonesian concept called “gengsi” – loosely translated to be, “outward appearances”.*

Clearly, this culture dimension signals success as the condition that can build charisma.

### **7.3. Ways to Influence**

The research gave several possible answers as to how to influence students to become an entrepreneur. These possible answers are: (1) daily activities, (2) overview / opinion / mindset, (3) behaviour and attitude, (4) motivation, (5) suggestion, and (6) practical experiences (see Table 6.30).

Using the 1-5 likert scale (1 shows the maximum degree influence and 5 shows the minimum degree from the ways to influence) we can see that the mean - median – mode of each answer ranges from 1 to 2.13. In detail, the results as follows:

- a. Daily activities get the scores 2.13 (mean), 2.00 (median) and 2.00 (mode).
- b. Overview / opinion / mind-set get the scores 1.88 (mean), 2.00 (median) and 2.00 (mode).
- c. Behaviour and attitude get the scores 1.95 (mean), 2.00 (median) and 2.00 (mode).
- d. Motivation gets the scores 1.62 (mean), 1.00 (median) and 1.00 (mode).
- e. Suggestion gets the scores 2.06 (mean), 2.00 (median) and 2.00 (mode).
- f. Practical experience gets the scores 1.98 (mean), 2.00 (median) and 2.00 (mode).

The results of the research therefore suggest that the motivation given by the role model constructs is the most powerful way to influence students to become an entrepreneur. This is shown in the smaller value of its scores in mean (1.62), median (1) and mode (1).

This result and finding can be used as a basis to support the main argument that actors in a role model construct can motivate students to become an entrepreneur. Furthermore, it can also achieve a contribution of the research to knowledge of entrepreneurship; in particular research on entrepreneurial motivation (see Shane et. al., 2003), by saying that social influence as a result of the existence of a role model can also influence individuals' entrepreneurial motivation and can also be treated as one of the determinants of entrepreneurial motivation.

Another influence is the efforts that can change students' overview, opinion and mindset to become an entrepreneur and to change behaviour and attitude towards an

entrepreneurial career. These results and findings can be seen as *a psychological pattern* of how efforts to influence students to become an entrepreneur are taking place, which starts from motivation – change of overview, mindset and opinion – behavioural and attitudinal changes toward entrepreneurship.

Specifically, the ways in which the actors motivate students are believed to determine further whether the students intend to enter into entrepreneurship or not.

#### **7.4. Influence and Impact Given by Role Models**

Students answered that there are several influences and impacts given by their role models to their daily and future life. Referring to the results and findings of the research in Table 6.35, these answers are:

1. Overview of future life.
2. Guidance for future life
3. Changing perspectives and attitudes towards an entrepreneurial career
4. Changing beliefs about an entrepreneurial career.
5. Changing the future plan to become an entrepreneur
6. Entrepreneur's job is fits with personality and characters
7. Similarity of value between myself and an entrepreneurial job.

Table 6.35 suggests that most of the students think their father can give influence and impacts in terms of an overview for future life, guidance for future life and similar values between themselves and entrepreneurial jobs. The entrepreneur on the other hand can give influence, and impacts to change their perspectives and attitude towards an entrepreneurial career, their beliefs about an entrepreneurial career and the future plan to



become an entrepreneur. Apart from these two constructs, the mother is the next person most likely to be considered by students as a role model who can influence their daily and future life.

Those answers can be categorized into three main themes as seen below:

1. *Personal awareness* (overview of entrepreneurial careers, similarities of personal values with entrepreneurial jobs and suitability of entrepreneurial jobs with personality and characters)

Personal awareness is meant as the awareness of the students regarding their potential to enter into an entrepreneurial career as a choice for their future life. Most of the students sometimes do not realise that actually they have the potential to become an entrepreneur based on their own personality. This has made them anxious and in the end they make the wrong selection for their future life.

2. *Personal changes* (perspectives, attitudes, beliefs and future plan)

Over a long period and it is a long story, an entrepreneurial career has been viewed as an *inferior / less considered occupation* – particularly by Indonesians. There was a paradigm that an entrepreneurial career cannot guarantee the future life and social status of individuals. The entrepreneurial career was also viewed as a really high risk career with an unstable income. As a result, it was not recognised as a proper and favourable occupation that can be chosen to guarantee a future life. Feudal culture and mentality, more or less, have taken part in creating this paradigm.

Nowadays, this paradigm has changed. The existence of successful individuals in business with all their achievements and performance (and wealth) and who

can be treated as role models have made young people, especially students realize that they also want to be a success like them and importantly in the future, wish to be like those successful people. This circumstance leads to important changes in students' personality. They change their own perspectives and beliefs towards entrepreneurship, change their attitude from feudal into more entrepreneurial and importantly also change their future plan from being an employee in a public or private institution to becoming an entrepreneur.

### 3. *Personal guidance*

The existence of role models also creates a firm belief from the students that they will have personal guidance to follow. This guidance comes from the success route of their role models, attitudinal patterns of their role model in responding to problems, and the way that was done by their role model as they achieved success.

## 7.5. Role Model Constructs and the Entrepreneurial Motivation

Consistent with the findings regarding the identification of the person who can influence students for their future career, this research also found that **parents** are role models who have a very strong positive correlation with students' entrepreneurial motivation. Correlation analysis in the form of Pearson correlation, Kendall's tau\_b and Spearman's rho strengthen this argument. Again, *closest interrelationship and higher status* that create *charisma* are arguably the reason for this result. This agrees with and also supports Matthews and Moser's (1996), Mallette and McGuinness's (1999), Morrison's (2000), and Sorensen's (2007) findings which argued that the closure mechanism,

parental relationship and parents are the most influential mechanisms and individuals who influence students in their future life.

Siblings, as with other role models in students' very close social network, are found to have no correlation with students' entrepreneurial motivation. A closure mechanism can take place in this matter but as the students think that they have a similar status and the same level as their siblings; this seems to be a reason for students to not appoint and treating their siblings as a role model who can influence their entrepreneurial motivation.

Role model constructs in students' close social network (uncles / aunties, friends, boyfriends / girlfriends and teachers / lecturers) are viewed to have no correlation with students' entrepreneurial motivation. The reason for this result is because if we are looking back to the result of the research that found uncles / aunties, friends and boyfriends / girlfriends only gave moderate level of influence to students' future career. Those constructs (uncles / aunties, friends and boyfriends / girlfriends) cannot meet the reasons and criteria of closest interrelationship and higher status which create charisma and reputation. Uncles / aunties (can) have higher personal status rather than students (have reputation), but they seem not too close to the students (have lower charisma). Friends and boyfriends / girlfriends cannot meet both of those criteria and reasons. A majority of students see their friends and boyfriends / girlfriends as having little or no influence compared to other constructs (parents and siblings for example) and therefore, they are considered to have lower charisma. Friends and boyfriends / girlfriends are also viewed to have lower, or at least, the same personal status to them. This will result in lower reputation of these constructs in the mind of students.

A contradictory finding concerns teachers / lecturers. Students considered that their teachers / lecturers – with their reputation – can give positive insights to their future

career (Table 6.28). But, students do not think their teachers / lecturers can influence their entrepreneurial motivation. Interrelationship is arguably the reason for this. Teacher / lecturers are constructs who are coming from students' close social network where they establish and maintain personal relationship in a *formal way* (in a classroom) and mainly based on the formal status / hierarchy rather than informality. Frequency of the interrelationship between students and teachers / lecturer which is on temporary basis (when on campus or during lectures) and the formal interaction are believed as the cause of this contradictory finding. In other words, teachers / lecturers can give insights regarding their students' future career in a formal way, but they cannot personally influence student entrepreneurial motivation.

Looking at the finding and result of role model construct in students' close social network (uncles / aunties, friends, boyfriends / girlfriends and teachers / lecturers) and their correlation to entrepreneurial motivation, it can be seen that closest interrelationship and higher personal status should take place consecutively for individuals within a close social network to be appointed and treated as a role model who can influence other individuals' entrepreneurial motivation – particularly students. This analysis is similar to the analysis of role model constructs in students' very close social network (parents and siblings).

In the case of successful entrepreneurs as a role model, students think that entrepreneurs can directly or indirectly influence their entrepreneurial motivation. The analysis has shown that entrepreneurs bring a significant positive correlation to students' entrepreneurial motivation. In this case, students viewed entrepreneurs purely from their higher personal status that leads to higher reputation although entrepreneurs are often not known personally by the students. This analysis shows that in the case of entrepreneurs,

higher personal status that leads to reputation is the only matter that can influence students' future career (see Table 5.27) and furthermore, their entrepreneurial motivation.

To sum up, the result of the correlation between the existence of role model to student entrepreneurial motivation is shown in the following table.

Table 7.3  
The Relationship between the Existence of the Role Model  
and Student Entrepreneurial Motivation

No	Correlation to Entrepreneurial Motivation	Construct of role models						
		Very Close		Close				Not Known Personally
		Parents	Siblings	Uncles / Aunties	Friends	Boy- / Girlfriends	Teachers / Lecturers	Successful entrepreneurs
1	Positive	√						√
2	No correlation		√	√	√	√	√	

#### 7.6. Role Model Constructs, Future Career and Entrepreneurial Motivation

Relating to the table regarding constructs that can influence future career of the students (sub-section 6.2.) and the table regarding role model constructs that can influence student entrepreneurial motivation (sub-section 6.5), we can see that in all matters, parents and entrepreneurs are the perfect people to whom the students can rely on for their future career and entrepreneurial motivation. The constructs of siblings, uncles / aunties and friends are in a moderate position to influence future career of the student (means that siblings, uncles-aunties and friends can only give insights on entrepreneurial career but they have no personality power to encourage the students to take any further actions into an entrepreneurial career). This circumstance has further

led to the fact that these three constructs of the role model have no significant correlation with student entrepreneurial motivation.

The '*ambiguous*' position is shown by the teacher / lecturer as a construct of a role model. On the one hand, whilst the students think their teacher / lecturer is one of the people who can influence their future career, on the contrary, they think their teacher / lecturer has no correlation with their entrepreneurial motivation. This indicates one thing; reputation of the teachers / lecturers and their formal interrelationship with the students can only give insights to the future career of the students but not to the entrepreneurial motivation.

Table 7.4 below describes and shows the comparison between the influence of the construct of role model to student future career and correlation to entrepreneurial motivation.

Table 7.4  
Comparison between the Influence of Role Models to Student Future Career and  
Their Relationship to Student Entrepreneurial Motivation

No	Possible Degree of Influence for Future Career	Construct of role models according to their proximity to students						
		Very Close		Close				Not Known Personally
		Parents	Siblings	Uncles / Aunties	Friends	Boyfriends / Girlfriends	Teachers / Lecturers	Successful entrepreneurs
1	Positive	√					√	√
2	Moderate		√	√	√			
3	Negative					√		
No	Correlation to Entrepreneurial Motivation	Construct of role models according to their proximity to students						
		Very Close		Close				Not Known Personally
		Parents	Siblings	Uncles / Aunties	Friends	Boyfriends / Girlfriends	Teachers / Lecturers	Successful entrepreneurs
1	Positive	√						√
2	No correlation		√	√	√	√	√	

## VIII. Summary and Implications

### Introduction

This chapter summarizes the results of the research and discusses the implications of the research based on the facts and information found in the fieldwork and the implications identified based on the consequences of the findings. Specific comments are made on four key areas; entrepreneurial motivation; the concept of the entrepreneurial role model; entrepreneurial traits and personality; and entrepreneurship education, which comprises entrepreneurial learning in formal and informal ways.

### 8.1. Summary

The results and findings of the research are summarized as follow:

1. The theory of entrepreneurial motivation considers two points of view in identifying individuals' entrepreneurial motivation. Firstly, the quantitative point of view, and authors who represent this viewpoint are: Need for Achievement (McClelland, 1961), risk taking (Atkinson, 1957, Liles, 1974 and Venkataraman, 1997), tolerance of ambiguity, locus of control (Rotter, 1966), self-efficacy (Bandura, 1997) and goal setting and, secondly, the qualitative point of view which consists of independence, drive and egoistic passion (Locke, 2000).
2. As mentioned by Gibson (2004), the *absence* of research in the field of role model is in the research in which individual perceptions of their actual role model and impacts are considered. Since then, particular research and studies regarding the entrepreneurial role model were undertaken, although the number was not large and



each study has its own particular directions, which were different from this research. For example, van Auken et al. (2006) compared the influence of role model on entrepreneurial intentions between students in two universities in the USA and one university in Mexico. Lafuente et al. (2007) and Valliant and Lafuente (2008) demonstrated a positive relationship between the ability of entrepreneurs in tackling their day to day business and problem and entrepreneurial relationships with a network and new start-ups by aspirant entrepreneurs. More recently, Bosma et al. (2011) considered the existence of the role model and its relationship to entrepreneurship for existing entrepreneurs in the Netherlands. This thesis takes a different direction. It attempts to contribute to entrepreneurial knowledge by linking the existence of the role model to students' entrepreneurial motivation.

3. The absence of research in the field of role model (point two above) and the possibility of incorporating the existence of role model as one of the determinants of entrepreneurial motivation (point one above) are the two most important reasons why this research contributes to the research in the field of entrepreneurship. As with previous research, the assessment and identification of reasons for people to enter into an entrepreneurial career were mainly related to entrepreneurial intentions which were based on the Theory of Planned Behaviour (Ajzen, 1991) and the thoughts of the Social Learning Theorists (Rotter, 1954 and 1966 and Bandura, 1977). Apart from that limitation, recent literature mainly viewed role models from the perspectives and disciplines of psychology and organizational study, not from entrepreneurship perspectives.
4. This research has used cross disciplinary literature reviews ranging from business subjects (entrepreneurship in general, entrepreneurial traits and personality and

entrepreneurial motivation), sociology and psychology subjects (the theory of role model and theories of social influence) and a cultural context on entrepreneurship.

5. This research, particularly its fieldwork, was undertaken with undergraduate students at the Faculty of Economics of Andalas University in Padang, West Sumatra – Indonesia. Apart from the reason of data accessibility (as the researcher is currently working as a permanent lecturer teaching entrepreneurship at this institution), the following reasons were also influential in the choice of this institution, sample and the region:

- a. Institutional reason

Andalas University is the oldest and biggest university outside of Java – Indonesia. For a long time, this university has been a favourite destination to study for higher degrees for students in Indonesia. In the last eight years, this university has also offered entrepreneurship as an obligatory subject to all students in all faculties.

- b. Reason to choose the sample

The Faculty of Economics of this university was chosen because it is one of the biggest faculties in the university and so has a large concentration of students. This faculty also has a specific minor concentration on Entrepreneurship. Some of the students may be nascent entrepreneurs, but certainly the research shows that in the future many will pass through the nascent stage and become entrepreneurs.

c. The reason for the regional choice

Padang, West Sumatra was chosen as the location of the fieldwork as the university is located in this city. Apart from this reason, for a long time, the region of West Sumatra and its tribal community, the Minangkabau people, have been well known in Indonesia as an 'entrepreneurial province and people'. Here entrepreneurship has its own cultural roots and has become one of the main occupations of the people.

6. The two main research questions are concerned with the mechanisms by which role models influence students' entrepreneurial motivation and the identification of each role model construct that can most influence student entrepreneurial motivation.

Consistent with those two questions, this research offered the following hypotheses:

- H1.** *Role models influence undergraduate students' entrepreneurial motivation by changing opinion and attitudes toward entrepreneurship and career choice.*
- H2.** *The closure mechanism is the most common mechanism for the students to treat and appoint other individuals.*
- H3.1** *Those role models are considered important and relevant for the choice of entrepreneurial career by undergraduate students are the people within their very close social network, i.e. family members.*
- H3.2** *Parents who are entrepreneurs are considered to have the most significant influence for undergraduate students to become an entrepreneur.*

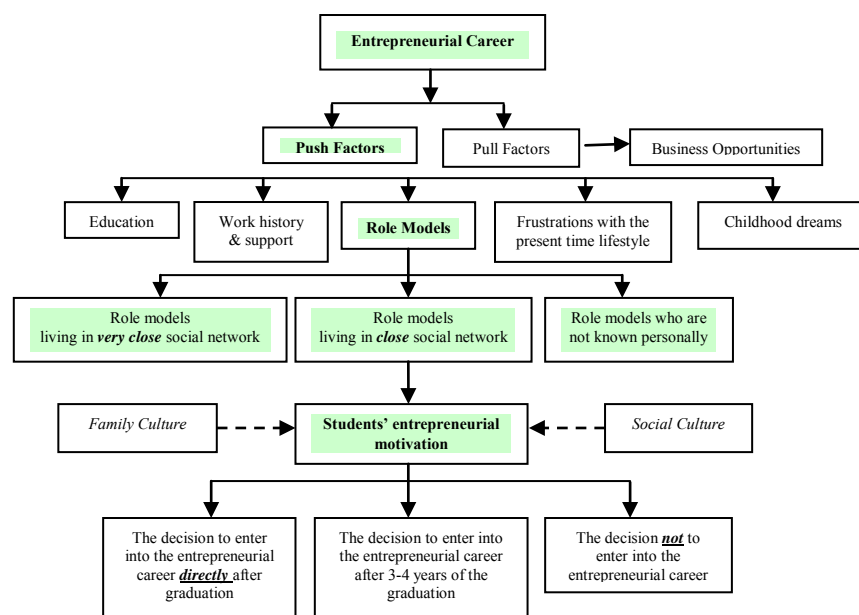
7. Seeking to answer the above mentioned questions and to examine the hypotheses, the research used three tools for guidance. These were:

a. Models

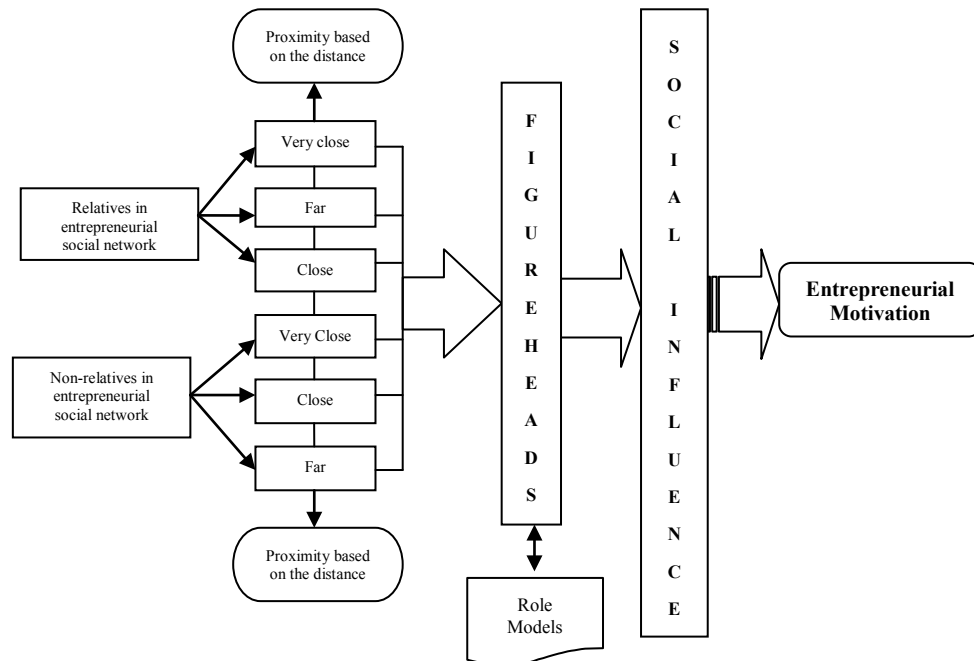
The first was *the Push and Pull Factors Based Model* (Figure 5.1.), the second was *the Proximity Based Model* (Figure 5.2.) and the third was *the Combined Model* (Figure 5.3.). These models were developed by the

researcher through using previous study findings, opinions, arguments, and overviews from scholars. As a reminder, these three models are shown in the following figures:

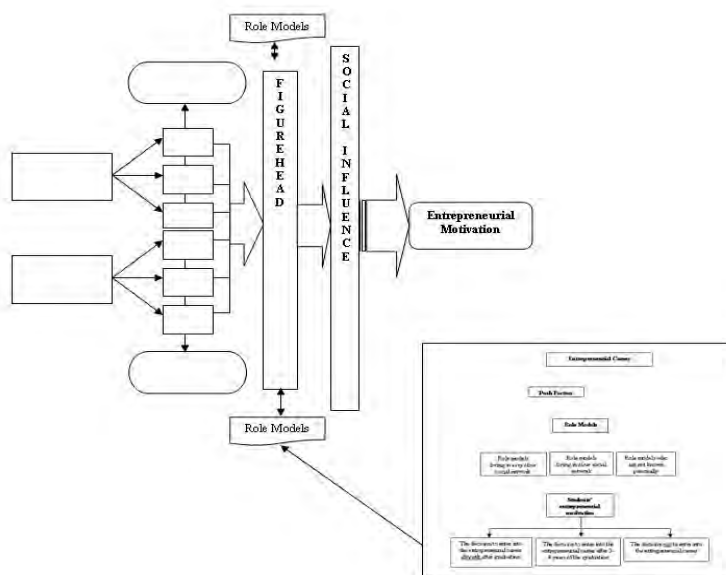
1. The Push and Pull Factors Based Model (Figure 5.1.)



### 3. The Proximity Based Model (Figure 5.2.)



### 3. The Combined Model (Figure 5.3.)



The basis for the development of those models was based on the following relevant entrepreneurship studies and research:

No	Studies and research	Scholars and Authors
1	The entrepreneurial motivation	Shane et al. (2003)
2	The push and pull factors in entrepreneurial career	Gilad and Levine (1986), Campbell (1992), Frese and de Kruiff (2000)
3	Entrepreneurial traits and personality	Rotter (1966), Gibb & Ritchie (1985), McClelland (1987), Boyd & Vozikis (1994), Dyer (1994), Grant (1996), Dobbins and Pettman (1997), Watson et al. (1998), Henderson & Robertson (1999), Pena (2002), and Bridge et al. (2003)
4	The Theory of Role Model	Gibson (2004)
5	Social learning theory	Granovetter (1973), Bandurra (1977)

b. The construct of the role model

The construct of the role model is used as guidance for identifying possible role models for students. The construct originates from the models that were developed and set up in the research, and by considering literatures both in social learning theories and theory of role model. In particular, and to identify individuals who acted (could act) as role models, Ajzen's Theory of Planned Behaviour, in the context of Normative Beliefs and Subjective Forms, is used.

Although Ajzen's Theory of Planned Behaviour (1991) is mainly used to measure entrepreneurial intention, this research uses a construct of the possible role model as discussed in that theory and links it to measure the entrepreneurial motivation. Other possible constructs of the role model that

was not discussed in Ajzen's Theory of Planned Behaviour (1991), were then added to this research. However, this research does not focus its discussion and analysis on 'entrepreneurial intention' but rather on 'entrepreneurial motivation'.

Using those above mentioned considerations as the basis to identify the construct of the role model, role models are then further categorized based on their proximity (distance of social network) to students, namely: (a) role models who come from *very close social network* of the students; (b) role models from *close social network*; and (c) role models who are *further away (not known personally)* by the students. A detailed identification of each construct was presented in Table 4.1.

#### c. Statistical analysis

Correlation was used to consider the relationship between two research variables, the existence of role model and entrepreneurial motivation.

Statistical analysis of the research was based on the equation below:

$$EM = f(RM) \text{ where:}$$

EM = Entrepreneurial motivation

RM = Role Model

The findings of the research were then further analysed using this statistical model.

8. The sample was: 291 undergraduate students of whom 129 male and 162 female students. All were in year three (or above) and currently living in a social

environment where at least one entrepreneur is found – either from their family or other individuals.

9. Students were able to define and understand properly the principle of the entrepreneur. Their cultural background, social environment and entrepreneurship subject / course in the Faculty have resulted in a better understanding from the students of how to define the entrepreneur and to identify their functions and job. Students' perceptions, opinion and overview on the entrepreneur and entrepreneurship demonstrated such an understanding.
10. Students' definition of the entrepreneur could be summarized into three categories; (1) as a person who takes risks in innovation, (2) as a person who can use their abilities and resources and, (3) as a person who has the personal traits and personality to become a new venture creator.
11. Students considered that an entrepreneurial job and functions were more related to the *attributes* of the entrepreneur and *nature* of the job. Their opinion regarding the attributes of the entrepreneur was categorized as a positive overview on entrepreneur and entrepreneurship, while on the other hand, the nature of the job and functions of entrepreneurship were viewed as a negative overview (such as are not well structured, unorganized, have unpredictable returns and high risks). Detailed answers and overviews regarding this can be seen in Table 6.10. A Positive overview from students related to benefits that they can learn from an entrepreneur, while the negative overview related to their personal judgement regarding the disadvantages from the work as entrepreneurs.



12. As to the expectations of entrepreneurial learning by observing entrepreneurs, the answers from the students can be categorized into three categories: the *positive answers* (career inspiration, imitate and wish to be like entrepreneurs), the *moderate answer* (just learn) and the *negative answer* (learning from entrepreneurs is nothing special, and furthermore, it is useless to learn from entrepreneurs).
13. From the attributes of entrepreneurs, students revealed that they can learn several things such as: fighting spirit and to never give-up; economic and business calculation; resource allocation; working as a group; self-confidence; being innovative and creative; opportunity recognition; and responsibility. More interestingly, students revealed that they also can learn from being independent and being the ‘boss’ in the business; making intuitive decisions; getting bright business ideas; establishing friendship; being aware of various value systems and norms (such as honesty, fairness, and ethics); and gaining wisdom, self-management and addressing and facing risks.
14. Most of the students (97.25% of the sample) revealed that they had a future plan to become an entrepreneur. The main difference between them was only regarding the *time frame / time planning* to enter into an entrepreneurial career. The two main reasons they cited for entering into an entrepreneurial career are related to work and job independence and the opportunity to achieve financial wealth.
15. Using the construct of role model and ‘proximity’ considerations, students could identify the most influential person on their future career. This finding, and the result of the research leads to the relational concept of ‘*proximity and possible degree of influence*’ between students and their role model.

16. Research and fieldwork was conducted with Indonesian undergraduate students, where the feudal culture and other particular norms and cultures exist. This is both a limitation of this research and an excellent opportunity to compare results and findings of this research to students from other cultures and backgrounds.

## **8.2. Contribution to Knowledge**

Summing up the findings and results of the research, the main important issues regarding the topic of this research and its significant contribution to knowledge in entrepreneurship lie in the following points:

- a. The research supports the dimensional approach of role model (i.e. cognitive and structural dimensions) as Gibson (2004). The *cognitive dimension* of the role model is exposed and explained through students' expectation of the attributes of their role models, while in the *structural dimension*; the existence of role model to individuals' life (their distance and hierarchies) was exposed and explained extensively. These results add to our knowledge of the dimensional approach of the role model as suggested by Gibson (2004). He argued that the *absence* of research in the field of role model lies in empirical research of the role model to find individual perceptions of their actual role model and the impact of role models toward individuals' future career plan.
- b. Expanding the work of Gibson (2004) on the role model, the research also contributes to identifying the construct of a role model that can (possibly) influence student future career choice and entrepreneurial motivation. The research found that depending on the construct – the role model directly and / or indirectly influences student entrepreneurial motivation (the structural dimension

of role model). On the other hand it also, directly and/or indirectly, impacts on the students' daily life and future career plan (the cognitive dimension of the role model).

- c. Point b, concerning in particular, the finding and result of the structural dimension of the role model can also be used to support the argument and intention of the research regarding entrepreneurial motivation, in which the *social influence that is given by role model can be treated as one of the determinants of entrepreneurial motivation*. This will add to the existing determinant of entrepreneurial motivation as discussed by Shane et al. (2003) who classified the determinants of entrepreneurial motivation from both quantitative and qualitative point of views.
- d. The main mechanisms for students to appoint and treat other individuals as a role model are *the closeness which delivers and / or transmits charisma* and the *high status which can perform reputation*. In this regard, this research is in full agreement with Sorensen (2007), who argued that the *closure mechanism is the most common mechanism for the students to treat and appoint other individuals as role models* (Hypotheses 2) and therefore, the most important role model for students is one who comes from their very close social network (Hypotheses H.3.1). In particular, their parents (Hypotheses H.3.2).
- e. There is a '*changed paradigm*' in students' life regarding entrepreneurial career, job and works. Students tend to be more aware and understanding about the career, job and work of an entrepreneur and therefore, most of them wish to become an entrepreneur in their future life. This is a significant change from the old paradigm where Indonesian people considered that working as an employee in private or public institutions is 'everything', compared to having a career as an

entrepreneur, which was viewed as a risky career that cannot guarantee a future life.

### **8.3. Implications of the Research**

Despite Lourenco and Jones (2006), Soutaris et al. (2007), McCarver et al. (2010), Kuckertz (2011), Balan and Metcalfe (2012) and Arasti, Falavarjani and Imanipour (2012) arguing that entrepreneurship education is better conducted through a mixture and collaboration of traditional approaches and contemporary approaches (those that are less-transformative, less-formal and those that can improve entrepreneurial attitudes and personality) in delivering a course, Kuratko (2005) is still used as one of the seminal references regarding this topic. Kuratko (2005) argued that preparing people and students to become an entrepreneur is not only a matter of knowing and mastering management and business skills. There is also the personality consideration in preparing people to become an entrepreneur. This means that knowing-mastering business and management skills should be done simultaneously with efforts to strengthen the traits and personality of individuals to become an entrepreneur.

One aspect to strengthen the traits and personality is through motivation, not only personal motivation to become an entrepreneur but also the motivation that comes from the social environment. The existence of appropriate and strong role models and their influence on other individuals can be used to motivate people in their social environment. Unfortunately, as Gibson (2004) indicated, the *absence* of research in the field of role models concerns that particular research in which individual perceptions of their actual role model are used in the daily life of an individual and the impact of role models on individuals' personal future career.

So, this research has a particular interest in this matter: to strengthening the personality of an individual to become an entrepreneur through entrepreneurial motivation that can be sourced from a role model – as a part of individual's social environment. This research also tried to fill the absence and gap in the role model research as argued by Gibson (2004) and missed from the studies and research of van Auken et al. (2006), Lafuente et al. (2007), Valliant and Lafuente (2008) and Bosma et al. (2011) that emphasized the influence of role models on existing entrepreneurs and on entrepreneurial intention.

The research findings, results, analysis and summary, along with implications and recommendations can be given related to those considerations above:

1. It is possible to use the role model construct in the social environment of an individual, in particular students, as part of the efforts to strengthen entrepreneurial motivation. Strengthening entrepreneurial motivation will further lead to strengthening the traits and personality of aspirant entrepreneurs.
2. Consequently, the use of role model constructs in strengthening the traits and personality of the aspirant entrepreneur should also be better *schemed* in suitable arrangements either in formal or informal ways. In a formal way, this will relate to the involvement of the role model construct in entrepreneurship education (teaching & learning, training, workshops and seminars), while in an informal way this relates to the consideration of social culture in which norms, values and wisdoms are taking place. The challenge of entrepreneurship education is to develop a system of learning (and assessment) that complements the traditional ways of learning and developing students with the skills, attributes and

behaviours characteristic of the enterprising or entrepreneurial individual (Kirby, 2002). Edwards and Muir (2004) have further strengthened Kirby (2002). They mentioned that the sources of entrepreneurial learning could be formal (theoretical learning) and informal (social and active learning). Similarly, Lourenco and Jones (2010) argued that the mixture of traditional approaches (lectures and seminars) which are transmissive (one way learning for knowledge sharing) could be associated with the more enterprising and interactive approaches that can improve the source of entrepreneurial learning. These enterprising and interactive approaches can be derived from the following teaching and learning methods; team based learning, poster plan and small business awards (Balan and Metcalfe, 2012), group project, case study, individual project, problem solving and new venture creation project (Arasti, Falavarjani and Imanipour, 2012) and the exposure of students in class to a role model (Aronsson, 2004, Soutaris et al., 2007, McCarver et al., 2010 and Kuckertz, 2011). The involvement of an entrepreneurial role model in motivating students as part of entrepreneurial teaching and learning methods can be used as an alternative to answer that challenge.

3. Related to point two, an arrangement and possible scheme to involve and integrate the roles of dominant entrepreneurial role models consisting of: (1) parents, (2) entrepreneurs and (3) lecturers into entrepreneurship education can be identified. The roles can be seen as a possible *specific task* that can be undertaken by each role model. Using *individual approaches* as the consideration, the integration of roles of the dominant role models with students can be viewed in the following figure:

Figure 8.1  
Role Integration of Dominant Entrepreneurial Role Models  
in Entrepreneurship Education

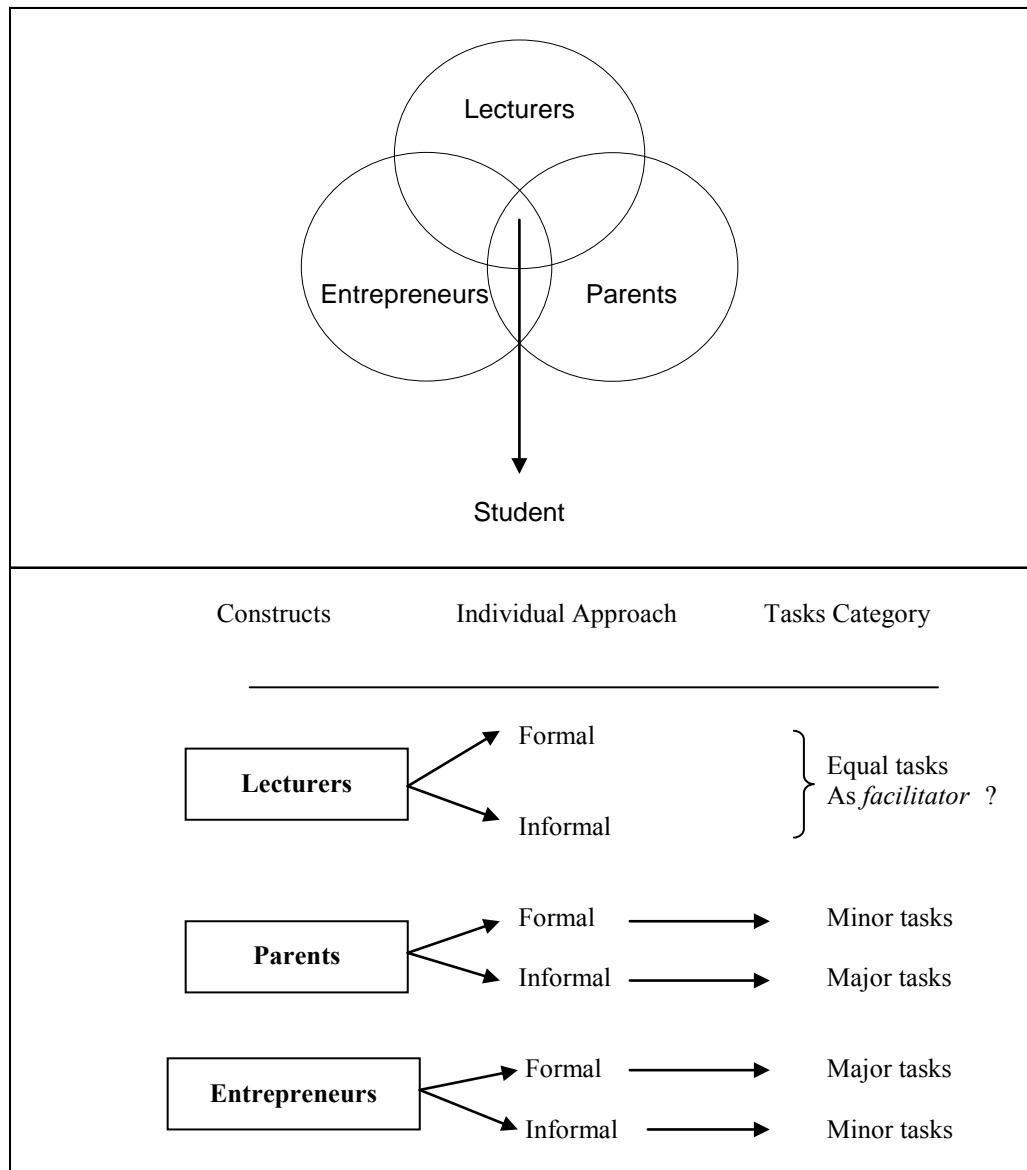


Figure 8.1 shows that students are positioned in the centre of integration between the three dominant role models and they can take benefits from this integration. However, the research was not intended to identify details of the tasks that should be done by whom but to rather categorize them into two categories: (1) *major tasks* and (2) *minor tasks*. The lecturer in this integration is in important position to facilitate the other two dominant role models (parents and

entrepreneurs). As Aronsson (2004) states, the role of educators is to foster entrepreneurial attitudes in their students and so is less about changing them directly, but is rather about increasing awareness of entrepreneurship as an alternative career choice and creating an environment that can foster entrepreneurial behaviour.

4. The main considerations in appointing a role model to be involved in entrepreneurship education would be their personal charisma and reputation. It would be perfect to find both these considerations in one role model – so that students can consider their performance (personal and working performance) completely.
5. This research also argues that '*media exposure*' can be used to bridge the needs of role models to individuals, particularly students. It can also be used as an information provider about the role models. Therefore, media exposure and coverage regarding entrepreneurial role models (including their bibliography, way of success, performance and achievement etc.) could be a sensible way to develop awareness from the students regarding the particular individuals who can be appointed as a role model.
6. This research understands that different social environments and backgrounds will create different cultures that can affect the dimension and construct of the role model and influence mechanism from the role model. Therefore, it is reasonable to have other insights and overviews regarding this topic from individuals coming from a different culture. This can be applied in further joint



research regarding this topic for individuals coming from different social and cultural environments.

### **8.3.1. Implication of the Research to Entrepreneurship Education in Indonesia**

Fitriati (2012) in the 4th International Conference on Indonesian Studies considered how universities in Indonesia develop and deliver their entrepreneurship education via the following approaches:

1. Formal learning (curriculum development, in-class teaching, seminars, workshops, business conceptualization, case based teaching, entrepreneurial life-cycle, discussions and block system teaching).
2. Institutionalizing (business incubators, competition and extra-curriculum activities)
3. Informal learning (company / field visit, experiential learning, *studium generale*, and, awareness)

In the particular case of Bengkulu University in Bengkulu, a neighbouring province of West Sumatra, Abduh (2011) found that teaching and learning methods in entrepreneurship education that are highly regarded by the students at Bengkulu University comprise of:

1. Self-directed studying
2. Individual tasks by making a plan for their own business and
3. Group tasks by making a plan for a business owned by a group and preparing for field practice.

Abduh (2011) further shows that students at Bengkulu University prefer to use self-initiative and informal learning in entrepreneurship education rather than in-class structured teaching and learning methods.

After studying and analysing the entrepreneurship education which is conducted at Andalas University, where this research was done and the researcher is working as a permanent lecturer and researcher, we have concluded that entrepreneurship education in this university is delivered based on the *nature of each faculty*. For faculties which do not deliver and offer sufficient business and management skills and knowledge, entrepreneurship education is emphasized by building students' capacity and competency in business and management, in which formal teaching and learning approaches are often used.

The Faculty of Economics of Andalas University in particular, emphasizes its entrepreneurship education towards the soft skills of entrepreneurs such as negotiation skills, entrepreneurial attributes-mind-set and idea generation and so on, as it argues that students of the faculty have sufficient skills and knowledge in business and management. Therefore, entrepreneurship education is dedicated to building and strengthening their mind-set, attitudes and personality (soft skills) toward entrepreneurship. Although there are differences in the orientation of education between faculties, teaching and learning are still being done via the same approaches to all of the faculties, which comprise of (a) general lecture / *studium generale*, (b) internship, (c) in-class teaching and learning, (d) company visit and (f) seminars. The faculty has arranged to improve methods in delivering its entrepreneurship education by having a strategic orientation through the combination of the use of ICT facilities, interactive learning and case study. One example that can be drawn is the planning of the faculty to launch an interactive learning method

in entrepreneurship, namely: The Real Time Case Method, which is an effort to transfer an on-site case study, faced by an entrepreneur in their day to day business to the students in the classroom by using teleconference facilities.

However, it can be drawn from Abduh (2011) and Fitriati (2012), as well as the actual condition of entrepreneurship education at Andalas University, that Indonesian universities are still emphasizing and are still following a formal approach in delivering their entrepreneurship education. Although there are efforts in developing informal learning methods, unfortunately these are still limited to the traditional and ordinary informal learning approach, such as: company / field visit and inviting entrepreneurs to deliver a speech.

This research suggests an alternative approach by involving informal learning from role models and this can be used to improve students' engagement, personality, awareness and attitudes toward entrepreneurship and blend it with the existing educational approaches that have been applied by the Indonesian universities. As the research uses data on Indonesian students alone, there is a greater possibility of applying its findings and results; in particular, the involvement of role model as an alternative to the informal learning method in entrepreneurship education in Indonesia. This will enrich teaching and learning methods in education, and in particular, entrepreneurship education in Indonesia, which is unfortunately still merely using traditional teaching and learning approaches.

#### **8.4. Possible Research Agenda**

Although this research has tried its best to fill the gap concerning the absence of particular research on role models, there are still gaps related to: (1) the cultural context of the research, (2) entrepreneurial learning with role models and (3) a full discussion

about the arrangement of an institutional setting and framework regarding the involvement of role models in education. So further, research can be identified. This can generate a possible future research direction and agenda on this topic. Five initial themes are suggested:

1. The cultural context in entrepreneurship research. Particular research can be conducted to compare the existence of role models and their influence to university students across different backgrounds and cultures.
2. Entrepreneurial learning, in particular in the following themes:
  - a. Role models overview regarding entrepreneurial learning that involves them.
  - b. Possible expected and actual learning experiences from role models.
3. Entrepreneurship education, in particular in the following areas:
  - a. Curriculum arrangements which are involving role models in teaching and learning activities.
  - b. Defining major and minor tasks of each role model in the learning scheme and arrangement which is involving the role model.
4. Personality and entrepreneurial attributes; in particular role models' attributes as well as profiling the role model.
5. The role of gender in the role model research. The comparative influence of the role models on male versus female students, and *vice versa*, the influence of male and / or female role models on students.

As this research only considers the influence of the role model (gender is not considered) on students (gender is not considered), that particular research agenda would be an interesting topic for future research related to the topic of this research.

It is hoped that there will be scholars who might be sufficiently interested to actively research this particular topic of entrepreneurship subject and enrich our understanding of entrepreneurship and how we deliver it to students.

## 8.5. Conclusion

The conclusions of this research are:

1. Students need other individuals, who they can rely on, in order to give positive energy and guidance for their future life and career. In other words, students need role model(s) to motivate themselves for their future life.
2. The *higher the status of the individuals* and *their closeness* are the two most significant mechanisms that can legitimise an individual as a role model to the students. Higher status can be the basis for the creation of *reputation* while closeness can be the basis for the emergence of *personal charisma*. This conclusion is related to the finding of the research which found that charisma, reputation, media exposure and peer pressures are the reasons for students to adopt an individual as their role model.
3. Although it is not the main intention and objective of the research, it was concluded that the cultural dimension of a society matters in relation to the appointment of a role model and those mechanisms that can allow an individual to be treated as a role model by other individuals. Indonesian cultural dimensions, which have high power distance and a collectivist and low masculine society have influenced the appointment of role models, mechanisms and the reasons for treating an individual as a role model.

4. The students identified that the most important and significant role models for them are their parents and successful entrepreneurs. Parents, particularly the *father*, have the biggest influence on students to become an entrepreneur. In respect of importance, they are followed by successful entrepreneurs and mothers. This point is also in line with the argument of van Auken et al. (2006), who studied a comparison of the influence of role model(s) on entrepreneurial intentions between students in two universities in the USA, and one in Mexico. They found that the *fathers* are the most significant influencer / role models for students in both countries.
5. Parents are considered to represent and prove that the *closeness mechanism which delivers and transmits personal charisma* is in place for treating individuals to become a role model to other individuals. A successful entrepreneur represents and proves that the *higher status, which forms reputation*, can also be a reason for people to appoint other individuals as their role model.
6. Depending on each construct of role model, the research has also found that role models can indeed have an impact on students' daily life and future plans which is related to their *personal awareness* (overview of entrepreneurial career, similarity of personal values with an entrepreneurial job and suitability of an entrepreneurial job with personality and characters), *personal changes* (changes in perspectives, attitudes, beliefs and future plan) and *personal guidance* (success route, attitudinal patterns to response problems, ways of achieving success).
7. Using the statistical model  $EM = f(RM)$  where EM is entrepreneurial motivation and RM is the existence of the role model, the research found a correlation between each construct of the role model to student entrepreneurial motivation as follows:

- a. *Parents* as a role model have very strong significant positive correlation with students' entrepreneurial motivation.
  - b. *Siblings* are found to have no correlation with students' entrepreneurial motivation.
  - c. *Uncles / aunties* are shown to have no correlation with students' entrepreneurial motivation.
  - d. *Friends* also have no correlation with students' entrepreneurial motivation.
  - e. *Boyfriends / girlfriends* have no correlation with the entrepreneurial motivation of their partner.
  - f. *Teachers / lecturers* are viewed to have no correlation with students' entrepreneurial motivation
  - g. *The entrepreneur* has a significant strong positive correlation with students' entrepreneurial motivation.
8. Comparing the influence and existence of the construct of the role model and individuals' future plans to become an entrepreneur and an individuals' entrepreneurial motivation can be concluded in the following Table 8.1.

Table 8.1

Comparison between the Influence of the Construct of Role Model to Student Future Career and Correlation to Entrepreneurial Motivation

No	Possible Degree of Influence for Future Career	Construct of role models according to their proximity to students						
		Very Close		Close				Not Known Personally
		Parents	Siblings	Uncles / Aunties	Friends	Boyfriends / Girlfriends	Teachers / Lecturers	Successful entrepreneurs
1	Positive	√					√	√
2	Moderate		√	√	√			
3	Negative					√		
No	Correlation to Entrepreneurial Motivation	Construct of role models according to their proximity						
		Very Close		Close				Not Known Personally
		Parents	Siblings	Uncles / Aunties	Friends	Boyfriends / Girlfriends	Teachers / Lecturers	Successful entrepreneurs
1	Positive	√						√
2	No correlation		√	√	√	√	√	

9. As parents and entrepreneurs are in the perfect position to become the most important role models for students, either for their future career or entrepreneurial motivation, we need to arrange a system for entrepreneurship education in which the involvement of parents and entrepreneurs is required. By using the lecturer as the facilitator, entrepreneurship education within higher education can involve the integration between all the dominant role models (parents, entrepreneur and lecturer) in an effort to achieve better entrepreneurship education.



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## **Appendix 1**

### Faculty of Economics – Andalas University Degrees Offered and Type of Study Concentrations

No	Department	Degrees Offered	Study Concentrations												
			Economics & Development	Population & Human Resources Economics	International Economics	Regional Economics	Local Government Finance	Strategic Management	Marketing	Finance	Human Resources	Entrepreneurship	Accounting	Secretary	Regional Planning
1	Economics	Bachelor (BA)	√	√	√	√	√								
2	Management	Bachelor (BA)						√	√	√	√	√			
3	Accountancy	Bachelor (BA in Acct.)											√		
4	Diploma	Diploma 3 (Diploma)					√		√	√			√	√	
5	Postgraduate	Magister Management (MM)							√	√	√				
6	Postgraduate	Magister Accountancy (MS)											√		
7	Postgraduate	Magister of Science (MS)													√
8	Postgraduate	Doctorate in Economics (PhD)													

Source: [www.unand.ac.id](http://www.unand.ac.id) and faculty information



## Appendix 2

### Correlations

[DataSet1] K:\Data Dissertasi Hafiz.sav

Correlations			
		Parents influencing at most	Motivation
Parents influencing at most	Pearson Correlation	1	.246**
	Sig. (2-tailed)		.000
	N	278	272
Motivation	Pearson Correlation	.246**	1
	Sig. (2-tailed)	.000	
	N	272	281

\*\* . Correlation is significant at the 0.01 level (2-tailed).

```
NONPAR CORR
  / VARIABLES=Parents Motv
  / PRINT=BOTH TWOTAIL NOSIG
  / MISSING=PAIRWISE.
```

### Nonparametric Correlations

[DataSet1] K:\Data Dissertasi Hafiz.sav

Correlations			Parents influencing at most	Motivation
Kendall's tau_b	Parents influencing at most	Correlation Coefficient	1.000	.209**
		Sig. (2-tailed)	.	.000
		N	278	272
	Motivation	Correlation Coefficient	.209**	1.000
		Sig. (2-tailed)	.000	.
		N	272	281
Spearman's rho	Parents influencing at most	Correlation Coefficient	1.000	.227**
		Sig. (2-tailed)	.	.000
		N	278	272
	Motivation	Correlation Coefficient	.227**	1.000
		Sig. (2-tailed)	.000	.
		N	272	281

\*\* . Correlation is significant at the 0.01 level (2-tailed).

### Appendix 3

#### Correlations

[DataSet1] K:\Data Dissertasi Hafiz.sav

Correlations			
		Motivation	Sibling influencing at most
Motivation	Pearson Correlation	1	.106
	Sig. (2-tailed)		.085
	N	281	266
Sibling influencing at most	Pearson Correlation	.106	1
	Sig. (2-tailed)	.085	
	N	266	271

```
NONPAR CORR
  / VARIABLES=Motv Sibling
  / PRINT=BOTH TWOTAIL NOSIG
  / MISSING=PAIRWISE.
```

#### Nonparametric Correlations

[DataSet1] K:\Data Dissertasi Hafiz.sav

Correlations				
			Motivation	Sibling influencing at most
Kendall's tau_b	Motivation	Correlation Coefficient	1.000	.055
		Sig. (2-tailed)	.	.313
		N	281	266
	Sibling influencing at most	Correlation Coefficient	.055	1.000
		Sig. (2-tailed)	.313	.
		N	266	271
Spearman's rho	Motivation	Correlation Coefficient	1.000	.062
		Sig. (2-tailed)	.	.314
		N	281	266
	Sibling influencing at most	Correlation Coefficient	.062	1.000
		Sig. (2-tailed)	.314	.
		N	266	271

## Appendix 4

### Correlations

[DataSet1] K:\Data Dissertasi Hafiz.sav

Correlations			
		Motivation	Uncles / Aunties influencing at most
Motivation	Pearson Correlation	1	.039
	Sig. (2-tailed)		.522
	N	281	268
Uncles / Aunties influencing at most	Pearson Correlation	.039	1
	Sig. (2-tailed)	.522	
	N	268	273

```
NONPAR CORR
  / VARIABLES=Motv UnclAunty
  / PRINT=BOTH TWOTAIL NOSIG
  / MISSING=PAIRWISE.
```

### Nonparametric Correlations

[DataSet1] K:\Data Dissertasi Hafiz.sav

Correlations				
			Motivation	Uncles / Aunties influencing at most
Kendall's tau_b	Motivation	Correlation Coefficient	1.000	-.006
		Sig. (2-tailed)	.	.919
		N	281	268
	Uncles / Aunties influencing at most	Correlation Coefficient	-.006	1.000
		Sig. (2-tailed)	.919	.
		N	268	273
Spearman's rho	Motivation	Correlation Coefficient	1.000	-.005
		Sig. (2-tailed)	.	.933
		N	281	268
	Uncles / Aunties influencing at most	Correlation Coefficient	-.005	1.000
		Sig. (2-tailed)	.933	.
		N	268	273

## Appendix 5

### Correlations

[DataSet1] K:\Data Dissertasi Hafiz.sav

Correlations			
		Motivation	Friends influencing at most
Motivation	Pearson Correlation	1	-.036
	Sig. (2-tailed)		.560
	N	281	270
Friends influencing at most	Pearson Correlation	-.036	1
	Sig. (2-tailed)	.560	
	N	270	275

```
NONPAR CORR
  / VARIABLES=Motv Friends
  / PRINT=BOTH TWOTAIL NOSIG
  / MISSING=PAIRWISE.
```

### Nonparametric Correlations

[DataSet1] K:\Data Dissertasi Hafiz.sav

Correlations				
			Motivation	Friends influencing at most
Kendall's tau_b	Motivation	Correlation Coefficient	1.000	-.027
		Sig. (2-tailed)	.	.625
		N	281	270
	Friends influencing at most	Correlation Coefficient	-.027	1.000
		Sig. (2-tailed)	.625	.
		N	270	275
Spearman's rho	Motivation	Correlation Coefficient	1.000	-.030
		Sig. (2-tailed)	.	.625
		N	281	270
	Friends influencing at most	Correlation Coefficient	-.030	1.000
		Sig. (2-tailed)	.625	.
		N	270	275

## Appendix 6

### Correlations

[DataSet1] K:\Data Dissertasi Hafiz.sav

Correlations			
		Motivation	Boy- / Girlfriends influencing at most
Motivation	Pearson Correlation	1	.013
	Sig. (2-tailed)		.835
	N	281	266
Boy- / Girlfriends influencing at most	Pearson Correlation	.013	1
	Sig. (2-tailed)	.835	
	N	266	271

```
NONPAR CORR
  / VARIABLES=Motv BoyGirlfriends
  / PRINT=BOTH TWOTAIL NOSIG
  / MISSING=PAIRWISE.
```

### Nonparametric Correlations

[DataSet1] K:\Data Dissertasi Hafiz.sav

Correlations				
			Motivation	Friends influencing at most
Kendall's tau_b	Motivation	Correlation Coefficient	1.000	-.027
		Sig. (2-tailed)	.	.625
		N	281	270
	Friends influencing at most	Correlation Coefficient	-.027	1.000
		Sig. (2-tailed)	.625	.
		N	270	275
Spearman's rho	Motivation	Correlation Coefficient	1.000	-.030
		Sig. (2-tailed)	.	.625
		N	281	270
	Friends influencing at most	Correlation Coefficient	-.030	1.000
		Sig. (2-tailed)	.625	.
		N	270	275

## Appendix 7

### Correlations

[DataSet1] K:\Data Dissertasi Hafiz.sav

Correlations			
		Motivation	Teachers / lecturers influencing at most
Motivation	Pearson Correlation	1	.075
	Sig. (2-tailed)		.219
	N	281	270
Teachers / lecturers influencing at most	Pearson Correlation	.075	1
	Sig. (2-tailed)	.219	
	N	270	276

```
NONPAR CORR
  / VARIABLES=Motv Teachers
  / PRINT=BOTH TWOTAIL NOSIG
  / MISSING=PAIRWISE.
```

### Nonparametric Correlations

[DataSet1] K:\Data Dissertasi Hafiz.sav

Correlations				
			Motivation	Teachers / lecturers influencing at most
Kendall's tau_b	Motivation	Correlation Coefficient	1.000	.090
		Sig. (2-tailed)	.	.103
		N	281	270
	Teachers / lecturers influencing at most	Correlation Coefficient	.090	1.000
		Sig. (2-tailed)	.103	.
		N	270	276
Spearman's rho	Motivation	Correlation Coefficient	1.000	.099
		Sig. (2-tailed)	.	.105
		N	281	270
	Teachers / lecturers influencing at most	Correlation Coefficient	.099	1.000
		Sig. (2-tailed)	.105	.
		N	270	276

## Appendix 8

### Correlations

[DataSet1] K:\Data Dissertasi Hafiz.sav

Correlations			
		Motivation	Story of successful entrepreneurs
Motivation	Pearson Correlation	1	.216**
	Sig. (2-tailed)		.000
	N	281	275
Story of successful entrepreneurs	Pearson Correlation	.216**	1
	Sig. (2-tailed)	.000	
	N	275	280

\*\* . Correlation is significant at the 0.01 level (2-tailed).

```
NONPAR CORR
  / VARIABLES=Motv Stories
  / PRINT=BOTH TWOTAIL NOSIG
  / MISSING=PAIRWISE.
```

### Nonparametric Correlations

[DataSet1] K:\Data Dissertasi Hafiz.sav

Correlations				
			Motivation	Story of successful entrepreneurs
Kendall's tau_b	Motivation	Correlation Coefficient	1.000	.282**
		Sig. (2-tailed)	.	.000
		N	281	275
	Story of successful entrepreneurs	Correlation Coefficient	.282**	1.000
		Sig. (2-tailed)	.000	.
		N	275	280
Spearman's rho	Motivation	Correlation Coefficient	1.000	.298**
		Sig. (2-tailed)	.	.000
		N	281	275
	Story of successful entrepreneurs	Correlation Coefficient	.298**	1.000
		Sig. (2-tailed)	.000	.
		N	275	280

\*\* . Correlation is significant at the 0.01 level (2-tailed).

## Appendix 9

### Questionnaire 1

**The Influence of The Entrepreneurial Role Models on Entrepreneurial Motivation  
(A Study of Indonesian Undergraduate Students in the Faculty of Economics of  
Andalas University in Padang - Indonesia)  
*Hafiz Rahman***

*This questionnaire is part of the research for the purpose of doctoral research and dissertation. Data and information will be used for academic purpose only.*

Number: .....

Date: .....

*Note: Please tick ✓ in the box where appropriate*

#### **I. Student's Data**

1	Sex:	male	<input type="checkbox"/>					
		female	<input type="checkbox"/>					
2	Age:	<input type="text"/>						
3	Your subject:	Accounting	<input type="checkbox"/>					
		Management	<input type="checkbox"/>					
		Economics	<input type="checkbox"/>					
4	Year of study:	<table border="1"><tr><td>1.</td><td>2.</td><td>3.</td><td>4.</td><td>5.</td></tr></table>	1.	2.	3.	4.	5.	
1.	2.	3.	4.	5.				

#### **II. Student's Background**

1.	Do you know about entrepreneurship and/or being an entrepreneur?	Yes	<input type="checkbox"/>
		No	<input type="checkbox"/>
2.	If yes, from who?		
a.	Parents	Father	<input type="checkbox"/>
		Mother	<input type="checkbox"/>
b.	Sibling		<input type="checkbox"/>
c.	Uncles / aunties		<input type="checkbox"/>
d.	Teachers / lecturers		<input type="checkbox"/>
e.	Boyfriend and girlfriend		<input type="checkbox"/>
f.	Story of successful entrepreneur		<input type="checkbox"/>
g.	Other friends		<input type="checkbox"/>
h.	Others: (please specify).....		



3. What is your parents' work?

- a. Government officer
- b. Entrepreneurs
- c. Working in private institutions
- d. Professionals
- e. Others: (*please specify*) .....


4. Do you have any relatives or non-relatives who are engaged with entrepreneurial activities?

Yes 

--

No 

--

5. If yes, who are they?

(*Please specify*).....

6. Does your family have an entrepreneurial track (record) and culture?

Yes


No

7. Have you ever been motivated by your parents to be an entrepreneur?

Yes


No

8. If yes, in what ways?

.....

.....

.....

9. If no, have you ever been motivated by someone to be an entrepreneur?

Yes


No

If yes, in what ways?

.....

.....

.....

10. Is there any entrepreneur living in your neighbourhood?

Yes


No

11. If yes, how do you think about his / her job / career as an entrepreneur?

.....

.....

.....

12. In terms of entrepreneurial characteristics, what is / are the best that you learned from your parents and entrepreneurs in your neighbourhood?  
(You can tick more than one choice of answers)
- |                                      |                          |                              |                          |
|--------------------------------------|--------------------------|------------------------------|--------------------------|
| a. Fighting spirit and never give up | <input type="checkbox"/> | b. Self confidence           | <input type="checkbox"/> |
| c. Economic calculation              | <input type="checkbox"/> | d. Try...try...try...        | <input type="checkbox"/> |
| e. Resource allocation               | <input type="checkbox"/> | f. Opportunities recognition | <input type="checkbox"/> |
| g. Work as a group / team            | <input type="checkbox"/> | h. Responsibilities          | <input type="checkbox"/> |
- i. Others: (please specify) .....
13. What do you expect after you learned 'something' from them? (You can tick more than one choice of answers)
- |  |                          |
|--|--------------------------|
| a. I will be inspired for my future choice of career           | <input type="checkbox"/> |
| b. I can directly imitate their behaviours, acts and decisions | <input type="checkbox"/> |
| c. I will be like them and choose entrepreneurial career       | <input type="checkbox"/> |
| d. I just learn only to know something                         | <input type="checkbox"/> |
| e. Nothing special at all and I will not imitate them          | <input type="checkbox"/> |
| f. Useless, I have my own behaviours' and don't need anybody   | <input type="checkbox"/> |
- g. Others: (please specify): .....

### III. Student's Future Objectives and Motivation for Being an Entrepreneur

1. Do you have any future objectives / motivation to become an entrepreneur?
- Yes ☐ No ☐
2. If yes, when will be the best time for you to start your business and become an entrepreneur?
- |  |                          |
|--|--------------------------|
| a. Right after my graduation           | <input type="checkbox"/> |
| b. 1-2 years after my graduation       | <input type="checkbox"/> |
| c. 3-4 years after graduation          | <input type="checkbox"/> |
| d. 5 years or more after my graduation | <input type="checkbox"/> |
3. If you decided to enter into entrepreneurial career, what is / are the reason that you consider important for your future life?
- |  |                          |
|--|--------------------------|
| a. Financial aspect / wealth             | <input type="checkbox"/> |
| b. Status                                | <input type="checkbox"/> |
| c. Free working hours                    | <input type="checkbox"/> |
| d. Not depend on other people            | <input type="checkbox"/> |
| e. Can make the decisions freely         | <input type="checkbox"/> |
| f. Can control all resources by yourself | <input type="checkbox"/> |
- g. Others: (please specify) .....

4. Who has influenced you most about being an entrepreneur as one of your future objectives?

Parents

1. Very influential  2. Influential  3. Not so influential  4. Have no influence at all

Sibling

1. Very influential  2. Influential  3. Not so influential  4. Have no influence at all

Uncles / aunties

1. Very influential  2. Influential  3. Not so influential  4. Have no influence at all

Friends

1. Very influential  2. Influential  3. Not so influential  4. Have no influence at all

Boyfriends / girlfriends

1. Very influential  2. Influential  3. Not so influential  4. Have no influence at all

Teachers / lecturers

1. Very influential  2. Influential  3. Not so influential  4. Have no influence at all

Story of successful entrepreneur

1. Very influential  2. Influential  3. Not so influential  4. Have no influence at all

5. In what ways do they influence you the most? (scale 1 at the most and 5 do not influence at all)

a. Daily activities

1.  2.  3.  4.  5.

b. Overviews / opinions / mind-set

1.  2.  3.  4.  5.

c. Behaviour and attitude

1.  2.  3.  4.  5.

d. Motivation

1.  2.  3.  4.  5.

e. Suggestions

1.  2.  3.  4.  5.

f. Practical matters in business

1.  2.  3.  4.  5.

6. Do you intend to create your own business in the future?

Yes ☐ No ☐

7. If yes, how many years from now?  
(tick in what years from now)

1	2	3	4	5
---	---	---	---	---

8. If you create your own business in the future, who do you think can guide you most?  
(Please range it from 1 at the most and 5 as not guide you at all)

a. Parents

1. ☐ 2. ☐ 3. ☐ 4. ☐ 5. ☐

b. Sibling

1. ☐ 2. ☐ 3. ☐ 4. ☐ 5. ☐

c. Uncles / aunties

1. ☐ 2. ☐ 3. ☐ 4. ☐ 5. ☐

d. Friends

1. ☐ 2. ☐ 3. ☐ 4. ☐ 5. ☐

e. Boyfriends / girlfriends

1. ☐ 2. ☐ 3. ☐ 4. ☐ 5. ☐

f. Teachers / lecturers

1. ☐ 2. ☐ 3. ☐ 4. ☐ 5. ☐

g. Entrepreneurs

1. ☐ 2. ☐ 3. ☐ 4. ☐ 5. ☐

h. Others (please specify) .....

9. If you don't have any motivation, intention and objectives to become an entrepreneur and start businesses after your graduation, then what will you do?

- a. Working as an employee in larger enterprises ☐
- b. Working as a public servant ☐
- c. Reconsidering to become an entrepreneur ☐
- d. Others (*please specify*): .....

#### IV. The Influence of the Role Models

1. Can you identify who your role model(s) is /are? Yes ☐  
No ☐

2. If yes, who is he / she -are they?

*You can tick more than one answer*

- a. Parents *Father* ☐ *Mother* ☐
- b. Sibling ☐
- c. Uncles / aunties ☐
- d. Teachers / lecturers ☐
- e. Entrepreneur ☐
- f. Boyfriend / girlfriend ☐
- g. Other friends ☐

h. Others: (*please specify*).....

3. Why do you treat him / her or them as your role model(s)?

.....

.....

.....

.....

.....

.....

.....

4. Do you find that treating him / her or them as your role model(s) will help you to achieve your future objective?

Yes ☐ No ☐

5. How big is the influence of your role model(s) to your daily life and your future plan?

- |    |            |                          |
|----|------------|--------------------------|
| a. | Very big   | <input type="checkbox"/> |
| b. | Big        | <input type="checkbox"/> |
| c. | Not so big | <input type="checkbox"/> |
| d. | Very small | <input type="checkbox"/> |

6. What types of role models' influence, influencing you at most:

- |    |  |                          |
|----|--|--------------------------|
| a. | Charisma                                 | <input type="checkbox"/> |
| b. | Reputation                               | <input type="checkbox"/> |
| c. | Media exposure about your role model     | <input type="checkbox"/> |
| d. | Peer pressure (pressure to do something) | <input type="checkbox"/> |

7. What types of influences have been given by your role model to your daily life and your future plan if you are choosing to enter into an entrepreneurial career? *(You can tick more than one answer)*

- |    |   |                          |
|----|---|--------------------------|
| a. | Overview and opinion about my life in present and in the future             | <input type="checkbox"/> |
| b. | Guidance on how to plan my future life                                      | <input type="checkbox"/> |
| c. | They change my perspectives & attitudes toward entrepreneurial career       | <input type="checkbox"/> |
| d. | They can change my future plan to become an entrepreneur                    | <input type="checkbox"/> |
| e. | I know that working as an entrepreneur fits with my personality & character | <input type="checkbox"/> |
| f. | They change my beliefs about the entrepreneurial career                     | <input type="checkbox"/> |
| g. | They have similar value with me regarding the entrepreneurial career        | <input type="checkbox"/> |
| h. | Others <i>(please specify)</i>  |                          |
|    | .....   |                          |
|    | .....   |                          |
|    | .....   |                          |

**Appendix 10(a)**

Questionnaire 2

**The Influence of The Entrepreneurial Role Models on Entrepreneurial Motivation  
(A Study of Indonesian Undergraduate Students in the Faculty of Economics of  
Andalas University in Padang - Indonesia)**

***Hafiz Rahman***

---

*This questionnaire is part of the research for the purpose of doctoral research and dissertation. Data and information will be used for academic purpose only.*

Number: .....

Date: .....

In your own words and perception, what is the meaning of ‘**Entrepreneurs**’?

.....

.....

.....

.....

.....

.....

.....

.....

.....

## **Appendix 10(b)**

### Interview Framework

**The Influence of Entrepreneurial Role Models on the Motivation to Become an Entrepreneur  
(A Study of Indonesian Undergraduate Students in the Faculty of Economics of  
Andalas University in Padang - Indonesia)  
*Hafiz Rahman***

---

*This interview is part of the research for the purpose of doctoral research and dissertation. Data and information will be used for academic purpose only.*

Number: .....  
Date: .....

1. Could you please introduce yourself and your study?
2. Please tell me: what is / are your reasons and expectation to choose a major in Entrepreneurship at the department?
3. Are you thinking or preparing to become an entrepreneur when you chose the major?
4. Do you think you can reach your expectation when joining this major? Please give me your reasons.
5. Do you have any figure of people (let's say: your role models) in entrepreneurship that inspire you in choosing a major in entrepreneurship? If you have, who is / are he/she/they? And, what is / are your reason(s) to appoint him/her/them as your role model?
6. How do you think they can help and assist to convince yourself that you are in the right direction when choosing a major in entrepreneurship?
7. What is / are the learning experience(s) that you have got when you appoint someone to become your entrepreneurial role model(s)?
8. Do you think that the role model should also be used and incorporated as a part of the courses in entrepreneurship? What is your reason to say so?