

# Analysis of factors influencing youth entrepreneurial decisions in Yogyakarta Special Regency

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## Abstract

This research aims to determine the effect of (1) entrepreneurial knowledge on the entrepreneurial decision; (2) family environment on the entrepreneurial decision; (3) business capital on the entrepreneurial decision; (4) entrepreneurial interest on the entrepreneurial decision; and (5) entrepreneurial knowledge, family environment, business capital, and entrepreneurial interest of youth entrepreneurship decision in Yogyakarta Special Regency. This research method uses SPSS measuring instruments and uses primary data. The data collection data technique uses a questionnaire with a Likert scale of 1-4 and uses regression analysis to analyse data. The result showed that entrepreneurial knowledge, family environment, business capital, and entrepreneurial interest positively and significantly affected entrepreneurial decisions. Based on this result, respondents with entrepreneurial knowledge, family environment support, business capital, and entrepreneurial interest will make entrepreneurial decisions.

## Introduction

Education is an essential part of State development. As a developing country, Indonesia must prepare Human Resources (HR) ready to work but must also be able to schedule jobs. Therefore, a policy that emerged from the government is implementing entrepreneurship education in several universities (Yu, 2018), according to data from the Central Statistics Agency regarding the Open Unemployment Rate in Indonesia in February 2020 of 4.99 per cent. In the last one-year data, unemployment has increased by 60 thousand people.

**Table 1.** Open Unemployment Rate (OUR) According to The Highest Completed Education (per cent), February 2018-2020

February	<ES	JHS	SHS	VHS	Diploma I/II/III	University
2018	2.67	5.18	7.19	8.92	7.92	6.31
2019	2.65	5.04	6.78	8.63	6.89	6.34
2020	2.64	5.02	6.77	8.49	6.76	5.73

Source: www.bps.go.id

Based on OUR data regarding the highest completed education, the OUR of residents with a higher education level of Diploma I/II/III has a value of 6.76% and universities of 5.73%. The OUR figure based on table 1 occurs due to the mindset of students who are determined to find jobs instead of creating jobs. In September – December 2019, observations were made to Yogyakarta students, primarily through SMEs and the young entrepreneurial community, that most students are more willing to become public and private employees (Colovic et al., 2019), while students who want to be entrepreneurial are still relatively low. Observations were also carried out at the DIY Youth and Sports Hall, which houses youth coaching, that some youth activities, especially entrepreneurship, have not been focused on sports.

Based on the results of observations and table 2 regarding the Annual Youth Data organised by Yogyakarta Youth and Sports Center, it can be concluded that in making decisions of students to participate in entrepreneurship in the field of sports is still low. Training related to

entrepreneurship has been carried out but especially in the sports field has yet to be held either in coaching, socialization, or technical assistance (Leo et al., 2020).

**Table 2.** Annual Youth Data of Yogyakarta Youth and Sports Center

Entrepreneurship	Total
Creative Industry	17
Pioneer	144
Center	615
Online Marketing	619
Tour Guide	90
Socioenterpreneur	23
Beginner Young Entrepreneurs	26
Photography and Videography	90
Independent Youth Training	0

Source: Yogyakarta Youth and Sports Center

The industry is an economic activity that produces goods with added value by managing raw materials and utilising industrial resources. The industry is divided into two: the goods industry is an industry that has goods, and the service industry is an industry that has services (*UU No. 3 of 2004*). Meanwhile, according to Pitts Fielding and Miller, the sports industry is every product, item, service, place, and people with thoughts offered to the public about sports. The sports industry is vital in encouraging a country's economic development (González-Serrano et al., 2021). Sports are designed to be an industry on a global and international scale.

By the objectives of the achievement sports coaching program written in the 2010-2014 Kemenpora Strategic Plan, the Ministry of Youth and Sports, through the Deputy for Youth Entrepreneurship as an institution for the development of the sports industry in Indonesia, sparked the idea of developing the sports industry as a highly competitive industry with the creativity of today's youth. The Ministry of Youth and Sports has taken steps to identify, foster, and develop sports equipment centres that are easily accessible to the broader community. The Indonesian sports industry is experiencing a development process accompanied by economic development in terms of accelerating technological will, human resources (Indrawati & Kuncoro, 2021) and income productivity.

The business profile of the sports industry in Indonesia in operations has the main problems, namely capital problems that are difficult to obtain, passive market opportunities, limited use of technology, marketing strategies in the free market and weaknesses in the business mentality. The condition of sports industry, which is still in the developing stage, has yet to enter the free-market flow that demands the sports business as an independent industry and can provide good products and quality of service (Kurniawan & Managi, 2018). Therefore, the business profile of the Indonesian sports industry can improve some of the main issues above by empowering sports industry businesses through youth entrepreneurship development programs. According to the Regulation of the Minister of Youth and Sports Number 22 of 2010 concerning the Strategic Plan of the Ministry of Youth and Sports in 2010-2014 that youth development is carried out through a process of facilitation of all matters related to youth services, focusing on the process of awareness, empowerment, and youth development. Youth development is carried out to improve the spirit of leadership, entrepreneurship, and youth pioneering. It can produce an advanced child with character, capacity, and competitiveness (Ministry of Youth and Sports, Indonesia, 2010).

The rapid development of competition in the sports industry, especially in sports equipment and equipment, has significantly increased the demand for sports equipment and equipment. Many sports fields are in order by the public, one of which is the sport of martial arts, especially in the Yogyakarta Special Regency. The high public interest in participating in sports in Yogyakarta Special Regency has resulted in people increasingly needing sports equipment and equipment, one of which is the martial arts branch, to support activities and increase competence in sports. Along with the increasing interest and need for sports, further studies are needed regarding the existing business fields in the Special Region of Yogyakarta. Especially for young

people who still have creative ideas to develop businesses related to community needs in sports activities (Ratten & Jones, 2018). The community's needs that are fulfilled will, of course, also improve the regional economy from the trade industry sector, which can absorb new workers with new players, especially for Yogyakarta Youth.

Gódnány et al. (2021) carried out previous research related to the above problems in with the title Entrepreneurship motivation in the 21st century in terms of pull and push factors, which stated that the main problems in the sports industry are problems in the capital, the acquisition of market opportunities, marketing strategy technology, and a weak entrepreneurial spirit. The following research was by Ali et al. (2011) with the title Entrepreneurial attitudes among potential entrepreneurs which stated that developing countries are considered to play a role in the aspects of organising training and apprenticeships but in the elements of mentoring, mentoring, partnerships and promotions have not played a role (Al-Shammari & Waleed, 2018), as far as in the aspects of assistance and access to capital Yogyakarta Youth and Sports Center has not entirely played a role because until now it has not succeeded in forming a youth entrepreneurial capital institution.

Then in 2019, a study conducted by Sánchez-Oliver et al. (2019) titled New ways of sports entrepreneurship in the university stated that the strengthening of the sports development system continues to be improved to facilitate the development of the sports industry in Indonesia. The researcher concluded to examine further the importance of entrepreneurial knowledge, family environment, business capital and youth entrepreneurial interest in making entrepreneurial decisions (Ratten, 2020).

## Literature Review and Hypotheses Development

### Endogenous Growth Theory

The theory of endogenous growth was first discovered by Romer (1986). This theory focuses on the fact that if productivity is to increase, labour must be constantly provided with more resources. The resources in question include physical capital, human capital and knowledge capital (technology). Economic growth driven by the accumulation of production factors is expected to deliver results mainly in the private sector. This is how governments can influence economic growth, at least in the long run, through their impact on capital investment, education, research, and development. Whereas according to Romer (1990), production factors are grouped into four: labour, capital, land, and organisation (management).

### Entrepreneurship

According to Acemoglu et al. (2022), innovators and entrepreneurs are the primary keys to economic growth. Schumpeterian entrepreneurs are creative individuals who develop innovations in the form of products and combinations of ideas to create new businesses and develop those businesses successfully. They are classed on their ability to create 'new combinations' outside the production function. That innovative process made inefficient companies because companies with a tendency to profit become the leading force in increasing productivity and economic growth (Aghion & Howitt, 1992). Schumpeterian posits that the sources of opportunity are divided into three, namely, 1) technological changes that allow for allocating resources in different and potentially more productive ways. 2) Political and regulatory changes that allow for the reallocation of resources more favourably. 3) Socio-demographic changes such as urbanisation, population dynamics, and educational structures.

The development of entrepreneurship in Indonesia has experienced high fluctuations. The research results from Marvel and Lumpkin (2007) show that only some entrepreneurs have become prominent. An interesting phenomenon in Indonesia is that most entrepreneurs who succeed or are at a rich level, namely of ethnic Chinese descent. Lettl et al. (2006) suggests that entrepreneurship is a wealth-creation process. The wealth of society or individuals who dare to take risks with reasonable standards, career commitments or the provision of value for goods and services. Entrepreneurship is a dynamic process of creating wealth. What is meant by creating wealth is wealth generated by individuals bearing the risks of capital, time, and career commitment. A product or service can look

creative in various ways of assessment of an entrepreneur in placing the skills and resources needed. According to Tiberius et al. (2021), entrepreneurship is "*a creative endeavour built on innovation to produce something new, have added value, benefit, create jobs, and the results are useful to others*". Based on some of the opinions above, entrepreneurship is an effort to create creative and innovative added value by being active and positive to produce something useful for others.

Economic growth and entrepreneurship can be viewed endogenously as a good cycle in which innovation and economic progress create more entrepreneurial opportunities, giving rise to incentives for potential entrepreneurs to anticipate better these opportunities to create incomes that lead to sustainable economic growth. High unemployment can encourage specific individuals to take the entrepreneurial route to earn an income due to need or despair (Audretsch et al., 2006). Based on this description, it can be taken the understanding that an entrepreneur can create or process raw materials into goods or services ready to sell and handle business by daring to take risks and take advantage of all opportunities that exist without leaving responsibility from the existing aspects.

### **Entrepreneurial Knowledge**

Knowledge in everyday life is often interpreted as an effort to discover the surrounding circumstances or symptoms. Curiosity encourages humans to get an explanation of the situation or symptom. According to the Big Indonesian Dictionary (BIG), knowledge is everything that is known, intelligence, or everything related to things (subjects). Meanwhile, according to Keupp and Gassmann (2013), knowledge is obtained by humans based on the scientific method to form a concept of something known as science. Knowledge results from feelings towards objects or information obtained through lessons or the surrounding environment.

Entrepreneurial knowledge is all known information about how to try to cause the courage to take risks rationally and logically in handling a business. The basic knowledge that must be possessed in entrepreneurship is:

1. Knowledge about the business to be initiated
2. Knowledge of roles and responsibilities
3. Knowledge of personality and self-abilities
4. Knowledge of business management and organisation

Education aims to improve entrepreneurship through attitudes, knowledge and skills to overcome complexities in entrepreneurship. Education enhances entrepreneurial success through experience, mastery, role models, business plan development, and running a small business or practical simulation. Based on the description above, it can be concluded that entrepreneurial knowledge is any form of information from the results of the learning process experienced, processed and processed in the cognitive realm in the form of memory and understanding of how to be entrepreneurial to cause the courage to take risks rationally and logically in entrepreneurship (Eggers & Kaul, 2018). Entrepreneurial knowledge is obtained from the entrepreneurship learning process carried out in educational institutions.

### **Entrepreneurial Learning**

Learning has the essential word learning, which means acquiring knowledge and experience with indicators of behaviour change resulting from interaction with other people and the environment. According to the Nielsen (2015), learning can also be interpreted as a process, way, or action to make people or living things learn. The learning in question begins when the person starts the learning process until the learning deed is completed. According to Friskawati (2018), learning is the process of obtaining new habits of knowledge and attitudes through deliberate learning experiences in order for a person to form himself positively under certain conditions. Meanwhile, according to Nielsen (2015), learning is an interaction between educators and students that has been planned and organised in a curriculum equipped with learning functional designs for teaching materials such as modules, infrastructure, and learning facilities needed or provided by institutions organising teaching and learning activities. Based on some of the opinions mentioned above, it can be concluded that Learning has a definition, namely activities carried out by educators and students

with a curriculum that is prepared and equipped with teaching materials such as modules, infrastructure, and learning facilities to produce a positive interaction and shape the personality of students to have an active, creative and innovative attitude.

Entrepreneurship is increasingly famous among the public, and the world of education takes advantage of this opportunity to compete to make entrepreneurship subjects or lectures become prima donna subjects to advance the economy and employment, especially in Indonesia. Entrepreneurship in Indonesia itself began to proliferate, primarily driven by the government, which showed the results of the increasing number of entrepreneurs in Indonesia and showed positive developments (Friskawati, 2018). The curriculum used by formal educational institutions from junior high school to tertiary education begins to inaugurate entrepreneurship subjects or courses; it is common for entrepreneurship knowledge to be often given to courses, training, seminars, and similar activities. The Director General of Out-of-School Education, Ministry of National Education of the Republic of Indonesia 2006, organised a village program, the Village Entrepreneurship Course, with the prescribed procedures in the area.

The purpose of learning entrepreneurship is basically to instil an entrepreneurial spirit in all students so that they have a creative and innovative spirit to grow to help improve the Indonesian economy by creating jobs, increasing per capita income, and increasing tax revenues for state development (Eggers & Kaul, 2018). Entrepreneurship education obtained by entrepreneurs cannot be separated from a creative and innovative spirit that is useful; as stated by Susilaningih, Entrepreneurship Education is not business education but education and training that allows students to develop and use their creativity, take the initiative and responsibilities and risks. In higher education, entrepreneurship education is interpreted as education to build entrepreneurial character, entrepreneurial mindset, and entrepreneurial behaviour.

The objectives of learning entrepreneurship should contain things related to the following:

1. Understanding of the concept of entrepreneurship
2. Formation of an entrepreneurial spirit
3. Self-development and business development
4. Entrepreneurial techniques
5. Creativity, innovation, leadership and communication
6. Steps to enter the business world
7. Business ethics

### **Entrepreneurial Interest**

Interest is one of the essential elements that determine in carrying out a job in addition to talent and intelligence. A person will have a great chance of smoothness and success if he is interested in his work. Some experts say the definition of interest, one which is Caska and Indrawati (2018), explains that interest is related to the style of movement that drives a person to face or deal with people, things, activities, and experiences stimulated by the activity itself. Based on the description above, the notion of interest is a feeling of liking or attraction that can encourage a person to have the desire to study objects with predetermined goals and want to be achieved without coercion. Entrepreneurial interest can be interpreted as a desire, interest and willingness to work hard or be strong-willed to try independently to meet the needs of life and be ready to bear the risks that will occur and be ready to learn from the failures experienced. A person starting an entrepreneur is not instantaneous; here are some reasons someone started or is interested in entrepreneurship:

1. Financial
2. Social
3. Service of providing jobs to the community
4. Self-fulfilment

Meanwhile, the indicators of interest in entrepreneurship are:

1. Willpower to achieve the goals and necessities of life
2. Strong belief in one's strength
3. Honest attitude and responsibility

4. Physical and mental endurance
5. Perseverance and tenacity in trying
6. Creative and constructive thinking
7. Visionary and daring to take risks.

### **Family Environment**

Family comes from Sanskrit language, *KULA* and *WARGA* or *KULAWARGA*, which means members and groups of relatives. Family can be defined as an environment where several people who are related by blood come together and come together. The family is a place to learn to do habits and culture and foster a sense of morality and aesthetics in children. As stated by Firman and Putra (2020), the family is obliged to take care of children and also educate and shape the character of children according to existing social norms. According to Ernawati and Sinambela (2022), the family environment is the first and foremost medium that has a significant effect on the character of the child; the family environment is also one of the factors that affect a person's piker pattern in making choices to become an entrepreneur or non-entrepreneur. Parents are a fully influential element in the decision-making process in entrepreneurship. A child's entrepreneurial decision-making will be created if elements in the family have a positive effect on entrepreneurship itself.

Based on the opinions of several experts above, it can be concluded that the family environment is the most miniature scheme environment in a child's social life that affects the child's behaviour and development patterns, including affection, attention, guidance, exemplary and encouragement from parents to be able to develop their abilities to prepare for the future. The effect of parents can be applied through interaction in providing guidance, in this case, the interest of a child to become an entrepreneur. Entrepreneurial interest can be formed if the family provides positive support, especially if the parents already have a profession as an entrepreneur; the child will tend to follow in the parents' footsteps by engaging in the same business.

According to Hamid et al. (2018) three main things can affect a person's development in his life, namely:

#### **1. Family Functioning**

A typical (functional) family is a family that has been able to carry out its functions, including 4 (four) principles of the role of the family, namely the family as modelling, mentoring, organising, and teaching. The function, in this case, is for the educational and socialisation functions. The function of education includes the role, guidance, and skills related to entrepreneurship. At the same time, the socialisation function includes the family function, which acts as a factor in shaping future generations' quality in choosing a job, which is entrepreneurship.

#### **2. Attitudes and Treatment of Parents towards Children**

Each parent has a different attitude and treatment according to their respective conditions. Attitudes and treatment of children will be role models for children in living life processes that affect development, including the desire to be an entrepreneur.

#### **3. Economic Status**

Economic status is one of the factors whose effect is considered necessary in developing a child's personality. Parents with upper and middle economic status tend to emphasise the development of initiative and creativity in children. In contrast, those with low economic status tend to emphasise obedience to figures who have authority. This will affect how children carry out the process of entrepreneurial desire.

### **Business Capital**

One of the factors that should be noticed in someone starting entrepreneurship is capital to finance business needs and in the form of expertise to manage a business. According to the Rokhman and Ahamed (2015), Business Capital is money used as a principal for trading, releasing money (property) that can be used to produce something that increases wealth. In the definition above, capital can be interpreted as the amount of money used to carry out business activities. In the

definition above, capital can be interpreted as the amount of money used to carry out business activities. Capital is seen as only some things in entrepreneurship by some people. However, in entrepreneurship, money is essential for a business so that capital management that is carried out optimally will result in the business running smoothly; meanwhile, according to Blesia et al. (2021), understanding venture capital as an overview of the balance sheet of a company that uses substantial capital and abstract capital. Concrete capital is vibrant capital, while abstract capital is passive capital.

Entrepreneurial capital can be divided into:

1. Investment capital can be used long-term, such as buying or leasing fixed assets, namely land, buildings, equipment, and other long-term goods.
2. Working capital, can be used in the short term such as use in one production. For example, to buy raw materials, maintenance of tools and materials and other small costs.
3. Working capital can be used in the short term, such as in one production. For example, to buy raw materials, tools maintenance and other small costs.

### **Entrepreneurial Decision**

According to Kusmintarti et al. (2017), decision-making can be interpreted as choosing or determining various possibilities in uncertain situations. Some things to do in making a decision:

1. Make future predictions
2. Choose one of two or more options
3. Make estimates of the frequency of events based on limited evidence.

Several factors affect the entrepreneurship decision-making process: psychological, target, physical, time and implementation. While the guidelines for decision-making in entrepreneurship are:

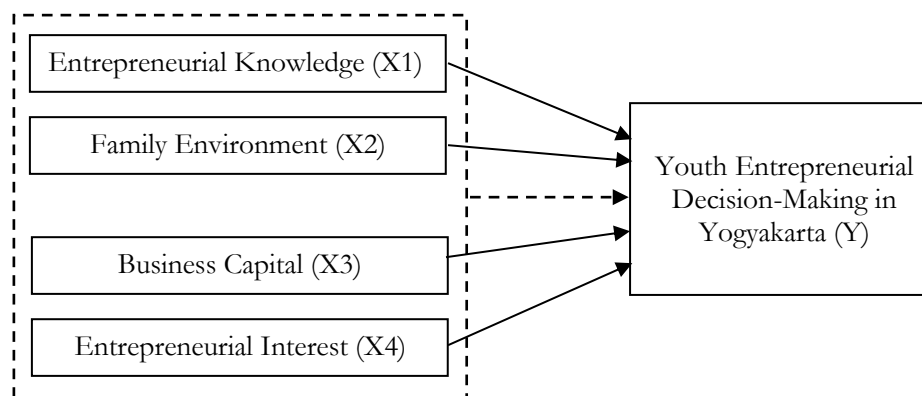
1. Determine the facts of the problem you know
2. Identify problem areas that are not based on facts
3. Stay away from decisions that will drastically change the organisational structure
4. Take moderate risks
5. Decisions must be tested first
6. Under certain circumstances, it is better to continue what has worked.
7. Even though a decision could be better, it can give satisfactory results.

### **Sport Industry**

An industry is a market where the same or similar products are sold to buyers. Products can be in the form of goods, services, people, ideas and facilities by Law Number 3 of 2005 concerning the National Sports System, which reads, the sports industry is a business activity in the sports field in the form of goods and services. The sports industry began to emerge in Indonesia with the birth of a Deputy for Youth Entrepreneurship and Sports Industry within the Office of the Ministry of Youth and Sports. Based on Law Number 3 of 2005 concerning the National Sports System, there is a sentence, "limited funding sources are a special problem in sports activities in Indonesia". The government feels an appropriate budget supports the demand for management, guidance and development. Resources can support fund management and infrastructure maintenance in the sports industry through the role of youth (Juhanis et al., 2020).

The sports industry can be concluded as a business activity carried out by processing raw materials into goods or services that are ready to be sold and processed continuously within the scope of sports, such as the management of sports infrastructure. Business activities remain oriented towards profit for both institutions and individuals. The sports industry can be in the form of goods and services. The sports industry has a role for the younger generation, innovation works and science and technology approaches in improving the quality of the sports industry itself. The competitiveness of the Indonesian sports industry must be able to be at home and abroad (Wibowo et al., 2022). The following is the focus of the role of the sports industry, namely sports clothing and equipment products, sports championship events, sports industry marketing, and capacity building of the subject.

In simple terms, the conceptual framework in this study is described as follows.



**Figure 1.** Conceptual Framework

Based on the conceptual framework that is theoretical and based on empirical studies conducted related to this research, the following hypotheses in this study:

H1: Entrepreneurial knowledge has a positive effect on entrepreneurship decision

H2: Family environment has a positive effect on entrepreneurship decision

H3: Business capital has a positive effect on entrepreneurship decision

H4: Entrepreneurial interest has a positive effect on entrepreneurship decision

H5: Entrepreneurial knowledge, family environment, business capital, and entrepreneurial interest has a positive effect on entrepreneurship decision

## Research Methods

This research uses a quantitative approach. The data used are primary and secondary data obtained from the field. The population and sample of this study are Youth in the Yogyakarta Special Regency. Data analysis was used to determine the effect of entrepreneurial knowledge, family environment, business capital and entrepreneurial interest on the entrepreneurial decision. The multiple regression equation is as follows.

$$Y = \beta_0 + \beta_1.X_1 + \beta_2.X_2 + \beta_3.X_3 + \beta_4.X_4 + ei$$

Where: Y = Entrepreneurial Decision; X<sub>1</sub> = Entrepreneurial Knowledge; X<sub>2</sub> = Family Environment; X<sub>3</sub> = Business Capital; X<sub>4</sub> = Entrepreneurial Interest; β<sub>0</sub> = Constant; β<sub>1</sub>, β<sub>2</sub>, β<sub>3</sub>, β<sub>4</sub> = Regression Coefficients X<sub>1</sub>, X<sub>2</sub>, X<sub>3</sub>, X<sub>4</sub>; and ei = Standard Error

**Table 3.** Descriptive Analysis

Variable	Obs	Mean	Std. Dev.	Min	Max	Median
Entrepreneurial Decision	100	21.48	3	14	28	21
Entrepreneurial Knowledge	100	17.29	2	14	22	18
Family Environment	100	17.94	2	12	24	18
Business Capital	100	8.64	1	6	12	9
Entrepreneurial Interest	100	19.56	2	11	24	17.5

Source: Data Processing Results

## Results and Discussion

Table 3 shows that the mean entrepreneurial decision level was 21.48, with a standard deviation of 3. The minimum amount of entrepreneurial knowledge is 14 in 4%, and the maximum is 28 in 13%. Entrepreneurial knowledge (X<sub>1</sub>) has a mean of 17.29 with a standard deviation of 2. The minimum amount of entrepreneurial knowledge is 14 in 10%, and the maximum amount is 22 in 8%. Family environment (X<sub>2</sub>) has a mean of 17.94 with a standard deviation of 2. The minimum amount of family environment is 12 in 9%, and the maximum is 24 in 11%. Business capital (X<sub>3</sub>)



has a mean of 8.64 with a standard deviation of 1. The minimum amount of business capital is 6 in 8%, and the maximum is 12 in 8%. And then entrepreneurial interest ( $X_4$ ) has a mean of 19.56 with a standard deviation of 2. The minimum amount of entrepreneurial interest is 12 in 7%, and the maximum is 24 in 28%.

### Validity and Reliability Test

Table 4 shows that the validity test value can be said to be of good validity by using a comparison of count equal to or greater than  $r_{table}$  (0.197); it can also be seen with a comparison of significance level equal to or less than 0.05. Then the value of the reliability test can be said to be high by using the interpretation guidelines on the correlation coefficient that if the Cronbach Alpha value is 0.600, then the instrument reliability level is declared strong.

**Table 4.** Instrument Validity and Reliability Test

No	Variables	$r_{count}$	Validity	$r_{count}$	Reliability
1	Entrepreneurial Knowledge (EK1)	0.722	Valid	0.929	Reliable
2	EK2	0.300	Valid	0.935	Reliable
3	EK3	0.316	Valid	0.935	Reliable
4	EK4	0.444	Valid	0.933	Reliable
5	EK5	0.333	Valid	0.934	Reliable
6	EK6	0.424	Valid	0.933	Reliable
7	Family Environment (FE1)	0.586	Valid	0.931	Reliable
8	FE2	0.700	Valid	0.930	Reliable
9	FE3	0.777	Valid	0.928	Reliable
10	FE4	0.788	Valid	0.928	Reliable
11	FE5	0.766	Valid	0.929	Reliable
12	FE6	0.498	Valid	0.933	Reliable
13	FE7	0.254	Valid	0.936	Reliable
14	Business Capital (BC1)	0.766	Valid	0.929	Reliable
15	BC2	0.358	Valid	0.934	Reliable
16	BC3	0.540	Valid	0.933	Reliable
17	Entrepreneurial Interest (EI1)	0.730	Valid	0.929	Reliable
18	EI2	0.637	Valid	0.931	Reliable
19	EI3	0.696	Valid	0.930	Reliable
20	EI4	0.771	Valid	0.929	Reliable
21	EI5	0.744	Valid	0.929	Reliable
22	Entrepreneurial Decision (ED1)	0.652	Valid	0.930	Reliable
23	ED2	0.723	Valid	0.930	Reliable
24	ED3	0.712	Valid	0.930	Reliable
25	ED4	0.672	Valid	0.930	Reliable
26	ED5	0.635	Valid	0.931	Reliable
27	ED6	0.708	Valid	0.930	Reliable
28	ED7	0.512	Valid	0.930	Reliable

Source: Data Processing Results

### Linearity and Multicollinearity Test

**Table 5.** Linearity Test Data

No	Variable X to Y	$F_{count}$	$F_{table}$	Significancy
1	$X_1$	0.708	2.11	0.665
2	$X_2$	1.508	1.90	0.143
3	$X_3$	1.104	2.31	0.414
4	$X_4$	1.180	1.94	0.005

Source: Data Processing Results

Based on table 5, the result of  $F_{count}$  is smaller than  $F_{table}$ , and the significance value is equal

to or greater than the 0.05 significance level. This shows that the independent variable has a linear relationship with the dependent variable.

**Table 6.** Multicollinearity Test Data

No	Variable	Tolerance	VIF
1	X <sub>1</sub>	0.534	1.874
2	X <sub>2</sub>	0.347	2.885
3	X <sub>3</sub>	0.637	1.571
4	X <sub>4</sub>	0.531	1.883

Source: Data Processing Results

Based on table 6, the tolerance value is more significant than 0.10, and the VIF value is less than 10.00. This shows no multicollinearity between variables and can proceed to the next stage, regression analysis.

### Regression Estimation

Based on the calculation results, the independent variable coefficient value is 0.005 for the entrepreneurial knowledge variable (P<sub>kwu</sub>), 0.318 for the family environment variable (L<sub>kel</sub>), 0.247 for the venture capital variable (M<sub>usa</sub>), and 0.406 for the entrepreneurial interest variable (M<sub>bwu</sub>). The following is the regression line equation arranged according to the coefficient value.

$$Y = a_1X_1 + a_2X_2 + a_3X_3 + a_4X_4 + K$$

$$Kbwu = 0.005 P_{kwu} + 0.318 L_{kel} + 0.247 M_{usa} + 0.406 M_{bwu} + 5.438$$

The equation of the line above shows that the coefficient value of P<sub>kwu</sub> is 0.005, L<sub>kel</sub> is 0.318, M<sub>usa</sub> is 0.247, M<sub>bwu</sub> is 0.406. This value shows that if the entrepreneurial knowledge variable (X<sub>1</sub>) increases by one unit, the value of entrepreneurial decision (Y) increases by 0.005, assuming the other variables remain. If the family environment variable (X<sub>2</sub>) increases by one unit, the value of entrepreneurship decision (Y) increases by 0.318 with the assumption that the other variables remain. If the working capital variable (X<sub>3</sub>) increases by one unit, the entrepreneurial decision (Y) value increases by 0.247, assuming that the other variables are fixed. Moreover, if the entrepreneurial interest variable (X<sub>4</sub>) increases by one unit, the entrepreneurial decision (Y) value increases by 0.406, assuming the other variables remain.

### Significance Test

Based on the calculations in table 7, the value of the correlation coefficient between the variables P<sub>kwu</sub>, L<sub>kel</sub>, M<sub>usa</sub>, and M<sub>bwu</sub> together with K<sub>bwu</sub> is 0.717 and positive, and it can be said that the independent variable affects the dependent variable. It can be concluded that entrepreneurial decisions will also increase if there is an increase in entrepreneurial knowledge, family environment, business capital, and entrepreneurial interest. Meanwhile, the value of the coefficient of determination between the variables P<sub>kwu</sub>, L<sub>kel</sub>, M<sub>usa</sub>, M<sub>bwu</sub> together with K<sub>bwu</sub> is 0.514, which indicates that the independent variable can effect 51.4% changes in entrepreneurial decisions, then 48.6%, which gives effect to entrepreneurship decisions beside variables of entrepreneurial knowledge, family environment, business capital, and entrepreneurial interest (Yu, 2018).

**Table 7.** Estimation Result

Model	R	R Square	Adjusted R2	F <sub>table</sub>	F <sub>count</sub>	Sig.
X <sub>1</sub> , X <sub>2</sub> , X <sub>3</sub> , X <sub>4</sub> to Y	0,717	0,514	0,494	2,47	25,168	0,000

Source: Data Processing Results

To test the significance of the independent variable on the dependent variable using the F significance test. The results of the F test calculation show the F<sub>count</sub> value of 25.168, greater than F<sub>table</sub> 2.47, at a significance level of 5%. It can be concluded that entrepreneurial knowledge, family

environment, business capital, and entrepreneurial interest jointly positively and significantly impact youth entrepreneurship decisions in Yogyakarta Special Regency. This research uses a quantitative approach. The data used are primary and secondary data obtained from the field. The population and sample of this study are Youth in Yogyakarta Special Regency.

### Entrepreneurial Knowledge to Entrepreneurial Decision

The variable of entrepreneurial knowledge has yet to be optimally indicated by the indicators of the infrastructure readiness in implementing entrepreneurship learning which is presented in table 8.

**Table 8.** Respondents Answer

No	Variable	Frequency	Percentage
1	Never	0	0%
2	Seldom	42	42%
3	Often	53	53%
4	Always	5	5%
	Total	100	100%

Source: Data Processing Results

Table 8 shows that 5% of respondents who get entrepreneurship learning facilities and infrastructure are ready in the always category, 53% in the frequent category, 42% in the rare category, and 0% in the never category. In this case, many respondents still need to receive the facilities and infrastructure for entrepreneurship learning to increase their knowledge about entrepreneurship. While the factor that makes the entrepreneurial knowledge variable have a high contribution in making entrepreneurial decisions is the fifth statement item which states that the teacher has good knowledge of the subject or courses of entrepreneurship. Judging from the calculation, it can be concluded that the entrepreneurial knowledge variable has an excellent effect on improving entrepreneurial decisions. One of the efforts to optimise entrepreneurial knowledge is providing facilities and infrastructure for entrepreneurship learning activities. Other efforts can also be carried out through discussion and practical learning with teacher assistance to create a more conducive and easy-to-understand learning atmosphere (Leo et al., 2020). The existence of good learning facilities is expected to increase entrepreneurial knowledge to start a business.

### Family Environment to Entrepreneurial Decision

The variable of the family environment that is not optimal is shown in the sixth statement item, namely regarding economic status, which states that parents are ready to provide capital to start a business which is presented in table 9.

**Table 9.** Respondents Answer

No	Variable	Frequency	Percentage
1	Never	0	0%
2	Seldom	63	63%
3	Often	27	27%
4	Always	14	14%
	Total	100	100%

Source: Data Processing Results

Table 9 shows that respondents with family support are 14% in the always category, 27% in the frequent category, 63% in the rare category, and 0% in the never category. In this case, most respondents are in the middle to lower economic status whose parents tend to need more time to be ready to provide capital if their child is going to start a business. During the factors that make the family environment variable highly contribute to making entrepreneurial decisions, the first statement states that parents instil discipline. Judging from the calculation, it can be concluded that the family environment variable positively affects entrepreneurial decisions. One of the efforts to

optimise the family's functioning is to provide support for knowledge and experience to start business activities (Al-Shammari & Waleed, 2018). Families that provide enthusiasm and motivation will increase confidence in making entrepreneurial decisions. The existence of good family support is expected to improve the functioning of the family to start a business.

### Business Capital to Entrepreneurial Decision

The variable of working capital is quite optimal, as shown in the first statement item, which is having the capital to start a business, presented in table 10.

**Table 10.** Respondents Answer

No	Variable	Frequency	Percentage
1	Never	0	0%
2	Seldom	12	12%
3	Often	34	34%
4	Always	54	54%
	Total	100	100%

Source: Data Processing Results

Table 10 shows that respondents with the capital to start a business are 54% in the always category, 34% in the frequent category, 12% in the rare category, and 0% in the never category. In this case, many respondents stated that they already had sufficient capital to start a business, such as their business plan. While the factors that make the variable of venture capital have a low contribution in making entrepreneurial decisions are the second statement item which states that they want to make a capital loan to start a business. Judging from the calculation, it can be concluded that the variable of venture capital has an excellent effect on improving entrepreneurial decisions. When viewed from the business plans that respondents will implement, many respondents want to start a business with low capital so that with relatively low capital, they can still start a business (Ratten, 2020). The existence of sufficient capital is expected to increase of intention to do business.

### Entrepreneurial Interest in Entrepreneurial Decision

The variable of entrepreneurial interest is quite optimal, as shown in the second statement item, namely, happy if one day it can manage the business successfully, which is presented in table 11.

**Table 11.** Respondents Answer

No	Variable	Frequency	Percentage
1	Never	0	0%
2	Seldom	7	7%
3	Often	42	42%
4	Always	51	51%
	Total	100	100%

Source: Data Processing Results

Table 11 shows that respondents who feel happy when they can manage their business successfully are 51% in the always category, 42% in the frequent category, 7% in the rare category, and 0% in the never category. In this case, the majority of respondents already have an entrepreneurial interest in the field of sports based on primary entrepreneurship education. While the factors that make the variable entrepreneurial interest have a low contribution in making entrepreneurial decisions, namely the first statement item, which states that respondents want to start a business because they see people who are successful in entrepreneurship (Marvel & Lumpkin, 2007).

However, in the field test, respondents' entrepreneurial interest is motivated by more than the motivation of successful entrepreneurs. Based on the respondents' answers, it can be seen that,

on average, they want a promising future and can create many jobs, which is one reason they have an entrepreneurial interest. Judging from the calculation, it can be concluded that the entrepreneurial knowledge variable has a good effect on improving entrepreneurial decisions (Tiberius et al., 2021). A high entrepreneurial interest is expected to increase the intention to start a business.

### **Entrepreneurial Knowledge, Family Environment, Business Capital, and Entrepreneurial Interest simultaneously in Entrepreneurial Decision**

The amount of the independent variable contribution of entrepreneurial knowledge, family environment, business capital, and entrepreneurial interest to the dependent variable of entrepreneurial decisions analysed by multiple regression resulted in a practical contribution of 51.40%, and 48.60% came from other variables not examined in this study. . Entrepreneurial knowledge that is conducive and interesting can affect entrepreneurial decisions. A family environment that is motivated and enthusiastic can affect entrepreneurial decisions. Sufficient working capital can affect entrepreneurship decisions, and high entrepreneurial interest can affect entrepreneurship decisions (Keupp & Gassmann, 2013; Blesia et al., 2021; Wibowo et al., 2022). Based on the study's results, it is proven that entrepreneurial knowledge, family environment, business capital, and entrepreneurial interest positively and significantly affect youth entrepreneurship decisions in Yogyakarta Special Regency.

### **Implication and Conclusion**

The Government's role, in this case, is represented by the Youth and Sports Center, which must be maintained and increased in providing training as provision for Youth, especially in the Special Region of Yogyakarta. The general implications of the Government's Program regarding Youth Development which is already underway, can give confidence to the Youth of the Special Region of Yogyakarta by increasing the number of Youths who are assisted by the Youth and Sports Center. This study's limitations were still obtained namely the Youth and Sports Center research object.

This government agency fosters Youth for the Special Region of Yogyakarta, so it cannot be generalised to other regions. However, methodologically, the results of this study can be used as input for further research, which has the same direction as the variable being studied. In the following, we also convey the results of research that has been processed based on the variables studied; it can be concluded that:

1. Entrepreneurial knowledge has a positive and significant effect on entrepreneurship decisions of Yogyakarta Youth and Sports Center with a coefficient of determination of 0.233, which means entrepreneurial knowledge can change entrepreneurship decisions by 23.3%.
2. Family environment has a positive and significant effect on the entrepreneurial decisions of Yogyakarta Youth and Sports Center with a coefficient of determination of 0.421, which means that the family environment can change the entrepreneurial decision by 42.1%.
3. Business capital has a positive and significant effect on the entrepreneurial decisions of Yogyakarta Youth and Sports Center with a coefficient of determination of 0.197, which means that business capital can change entrepreneurship decisions by 19.7%.
4. Entrepreneurial interest has a positive and significant effect on entrepreneurship decisions of Yogyakarta Youth and Sports Center with a coefficient of determination of 0.421, which means that entrepreneurial interest can change entrepreneurship decisions by 42.1%.
5. Entrepreneurial knowledge, family environment, business capital, and entrepreneurial interest positively and significantly impact youth entrepreneurship decisions in Yogyakarta Special Regency with a correlation coefficient of 0.717 or 71.7% and a coefficient of determination of 0.514 or 51.4%. Furthermore, for the calculation of the significance test, the  $F_{\text{count}}$  value of 25.168 is more significant than  $F_{\text{table}}$  2.47.

For further research, the entrepreneurship development program, especially in sports, needs to be further improved in quantity and quality, starting from the dissemination of information to follow-up outputs that will be implemented in the future so that this program can further affect youth entrepreneurship decisions (Colovic et al., 2019). Educational institutions also need to create an entrepreneurial climate both in terms of socialisation and the practice of entrepreneurship itself so that the growth of entrepreneurial interest can appear as early as possible and will undoubtedly help reduce unemployment in the Yogyakarta Special Regency. Then for academics and researchers, research on youth entrepreneurship interest in sports still needs to be found. It is recommended to conduct further research on the growing interest in sports entrepreneurship to make entrepreneurial decisions so that the sports industry in Indonesia can help economic growth in terms of entrepreneurship (Sánchez-Oliver et al., 2019).

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