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Review Of Factors In Business Type Selection Study On Kbmi Participating Students

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Abstract

The Indonesian government is serious about preparing new entrepreneurs from the higher education sector. The Indonesian Student Business Competition (KBMI) program is the answer to the need for Start-Up Businesses in Indonesia. This study examines the implementation model of the KBMI Program by developing three hypotheses from the relationship between the variables of experience factor, education factor, and other factors. This study uses 90 respondents from KBMI Program students in 50 universities in Indonesia. SPSS was chosen to test the model and hypotheses of this study. The results showed that all hypotheses proposed were accepted, with the experience variable being the most dominant in this model. This proves that experience is the key to the success of the KBMI Program. The practice of becoming a Start-Up Business is the right step in building the willingness and ability to become a Start-Up Business after graduating from higher education.

Key words: Business Field, Experience Education, Start-Up Business

INTRODUCTION

The quality and competitiveness of university graduates is a challenge for the Directorate General of the Ministry of Research, Technology, and Higher Education. They have developed various entrepreneurship programs such as Program Kreativitas Mahasiswa Kewirausahaan (PKM-K) which has been introduced since 1998, and the Cooperative Education Program (Co-Op) in Industry. Then, in 2003 the Co-Op was developed in MSMEs. While the next program is Program Mahasiswa Wirausaha (PMW) which was launched in 2009. Start-Up Business capital assistance programs for students

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such as PKMK, PBBT UMKM, or other programs in their respective universities. In 2017 the entrepreneurship program was revitalized into the Program Kewirausahaan Mahasiswa Indonesia (PKMI) which consists of 4 main programs, namely: Stadium General Entrepreneurship, Program Belajar Bekerja Terpadu (PBBT), Kompetisi Bisnis Mahasiswa Indonesia (KBMI) and Expo Kewirausahaan Mahasiswa Indonesia Expo (EXPO KMI). The integration of these four programs is intended so that entrepreneurship coaching activities for students can produce real entrepreneurial abilities for students. The major changes that all of these programs aim to produce are increased innovation and creativity as well as the absorption of entrepreneurial knowledge of students to have the most basic competencies and practical start-up experience to later be able to further develop their business based on their knowledge.

The achievement indicator of the student entrepreneurship program is the increase in the quantity and quality of student Start-Up Businesses. A representative indicator is a level of success and business continuity pioneered by KBMI program students which is shown by how many student businesses still survive or continue to operate for at least 6 months since they were pioneered. Theoretically, business continuity is determined by several variables, including working capital, business commitment, business knowledge, and operational capabilities. Therefore, it is necessary to determine the success rate of this program through a study of aspects of student business units that are still able to survive. The ability of a business to survive is a variable that students consider in choosing a type of business. Several studies have been conducted to explore and explore the variables of the success of a business, but with business objects or respondents owned or run by other than students. Thus, this research will enrich references to the role or influence of the variables discussed.

The research results expand the study of start-up businesses and can be taken into consideration in determining future policies related to student entrepreneurship. The variables raised in this study include experience factors, educational factors, and other factors outside of experience and education. Logically, the business field to be run is a business or business that has been recognized, especially in the sense that it has successfully run the business. Then the educational background is also believed to be a consideration considering that the provision of knowledge and skills will shape the mindset in choosing a business field. However, it is undeniable that there are factors other than experience and education that are the reasons for a business field to be chosen.

LITERATURE ANALYSIS AND METHODOLOGY

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Entrepreneurship is an effort to improve the efficiency and edibility of products and services that can produce superior performance. The main element of a start-up business is creativity and innovation that can create added value for stakeholders. The educational strategy embodied in PMW aims to shape soft skills to behave according to the entrepreneurial character. Several theories support the practice of start-ups or entrepreneurship, including the First, economic theory, in which economic motives are the reason for choosing the start-up profession. Second, sociological theory, attempts to answer the individual characteristics that distinguish successful and unsuccessful entrepreneurs. Third, behavioral theory tries to understand behavioral patterns with the belief that entrepreneurship can be learned. So far, students' interest in becoming entrepreneurs is still limited, and this happens because of the feeling of uncertainty about a career as an entrepreneur. This uncertainty can be dealt with by introducing students directly to successful entrepreneurs. One of the efforts to support students to be interested in becoming entrepreneurs is to provide start-up business facilities as initial capital for them where the form can be in the form of infrastructure.

The government has conducted various programs in an effort the quality of learning and accelerate the growth of new entrepreneurs in universities. These programs include Program Mahasiswa Wirausaha (PMW) since 2009, the MSME Co-Op Program, PKMK, and other programs at their respective universities. The PMW program was initially carried out in a decentralized manner, but based on evaluation and to further improve the efficiency and success of the program, starting in 2017, the PMW program was revitalized into the Indonesian Student Business Competition Program (KBMI) with centralized management. The KBMI program was initiated to provide a forum for students to practice the knowledge and entrepreneurial skills that have been obtained, through the provision of business capital and mentoring. Thus, the KBMI program must synergize with existing entrepreneurship programs such as Program Kreativitas Mahasiswa Kewirausahaan (PKMK), Program Belajar Bekerja Terpadu (PBBT), Kuliah Kerja Usaha (KKU), and other entrepreneurship programs. The KBMI program facilitates students in the form of capital support and business assistance. This program is expected to support the government's vision and mission as stated in the Ministry of Research, Technology and Higher Education's Strategic Plan for the development of budding entrepreneurs in realizing national independence through the development of entrepreneurship education and training.

Lieli Suharti and Hani Sirene's study examined the influence of various factors, both internal factors and contextual factors on student entrepreneurial intention.

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Internal factors include individual characteristics (socio-demographics), and attitudinal factors, while contextual factors include student participation in entrepreneurship-related activities on campus. The population of this study is students of Satya Wacana Salatiga University with a sample of students who have participated in seminars and entrepreneurship training. The respondents taken were 300 people. The results of the study stated that the socio-democratic factors that influence students' entrepreneurial intentions are the parents' profession as entrepreneurs and the experience of students concerned with entrepreneurship. Then the influential individual attitude factors are decision authority and the ability to work hard. While the influential contextual factors are academic support and social support. One interesting thing from the results of this study is that the element of student participation in entrepreneurial training/education activities did not affect students' entrepreneurial intentions. Another research related to entrepreneurial interest was conducted by Anandha and Taufik on Trunojoyo Madura University students by taking 400 respondents. The study tried to map the entrepreneurial characteristics of UTM consisting of variables of need for achievement, self-efficacy (personality), access to capital and information, and parental background. The results showed that the obstacles to students' interest in becoming entrepreneurs were the lack of entrepreneurial experience, limited capital, low courage to take risks, and the background of parents who were not entrepreneurs.

Andreas Lako and Anna Sumaryati in Yuyus Suryana (2010: 104) revealed that the success or failure of a company to achieve goals and sustainable growth depends largely on the quality of human resources, including having competencies that include knowledge, skills, abilities, and experience. Mardiana Sri Rahayu's research (2014) on the success of community businesses in Desa Kedung Galar, Ngawi resulted in two conclusions, namely, first, that family economic factors greatly affect business success, second that the level of education taken by entrepreneurs does not affect business success. Research on the factors that influence the success of Songket Weaving Craftsman SMEs in the Buleleng sub-district of Bali conducted by Ni Made Diah Anggraini shows that four factors determine the success of these SMEs, namely motivation, age, experience, and education. In this case, the motivation factor is the dominant factor because it has the greatest variance explained compared to the other three factors.

The method used to test the research hypothesis is multiple regression analysis to determine the magnitude of the influence of the independent variable on the non-free variable. In this case, the independent variables include three, namely experience factors, educational factors, and factors other than experience and education. Therefore, there

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are also three hypotheses proposed, namely the first hypothesis, the experience factor is influential in the selection of business fields; the second hypothesis, educational factors are influential in the selection of business fields and; The third hypothesis, Factors other than experience and education have no effect in the selection of business fields. Respondents in this study were college students (universities, high schools, polytechnics) throughout Indonesia who participated in KBMI in the 2017 period. Specifically, what is meant by the term participating is those (students) who have received financial assistance (capital) to implement their business plan (business plan). The number of respondents was 90 people from 50 universities who attended the Indonesian Student Entrepreneurship Exhibition at Brawijaya University Malang in November 2016. The universities referred to here are both universities, high schools, and polytechnics, both public and private. The following is a table of respondent characteristics

Table 1 Characteristics of respondents

No	Basic Classification	Number of Respondents
1	College Status; - Country - Private	 79 people 21 people
2	Type of College; - University - High School - Polytechnic	 62 people 18 people 20 people
3	Gender; - Man - Woman	 37 people 63 people
4	Type of Business; - Culinary - Creative - In Service	 56 people 27 people 17 people
5	Parents' Work; - PNS - Private - Entrepreneurial	 46 people 35 people 19 people

RESEARCH AND RESULTS

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By using the SPSS program version 2.0, testing was carried out on each research variable to determine whether there is a relationship with business variables. Testing the relationship through the Test for Linearity at a signification level of 0.05 where a variable is said to have a linear relationship if the deviation from linearity is greater than the level of significance made standard. The results of his research test, first the relationship between educational background and the chosen field of business. Based on the results of data analysis as presented in the table below, it shows a signification number of 0.033 which means that the relationship between educational background and the chosen business field is not significant. In other words, students in business do not try to relate to r utilize their fields of knowledge. Therefore, there are often KBMI students with engineering backgrounds who do culinary business.

Table 2 Relationship between Education background and selected Business Field
ANOVA Table

			Sum of Squares	df	Mean Square	F	Itself.
Business Field a * X1	Between Groups	(Combined)	42,874	3	14,291	13,595	,000
		Linearity	35,401	1	35,401	33,677	,000
		Deviation from Linearity	7,473	2	3,737	3,555	,033
	Within Groups		89,351	85	1,051		
	Total		132,225	88			

Second, the relationship between the Experience factor and the business field. The results of the analysis show a deviation from linearity of 0.132 which means greater than the standard 0.05 (see table below). This indicates a strong relationship between experience and the business field. Armed with experience in having done business in a field causes actors to feel familiar with and even masterful of the business so that when the opportunity comes again, it is only natural that the new business field is not far from what has been undertaken.

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Table 3 Relationship between Experience and Business Factors

ANOVA Table

			Sum of Squares	df	Mean Square	F	Itself.
Business Field * X2	Between Groups	(Combined)	19,685	4	4,921	3,673	,008
		Linearity	11,966	1	11,966	8,931	,004
		Deviation from Linearity	7,719	3	2,573	1,921	,132
	Within Groups		112,540	84	1,340		
	Total		132,225	88			

Third, the relationship between factors outside education and experience in the business field. The following table shows the results of the analysis of the test of linearity the strength of the relationship of factors other than education and experience to the business field that produces deviation from linearity at 0.123. This explains that some KBMI students choose their business field without having anything to do with their educational background and past business experience. It could be that a business field is chosen because it follows business trends that are currently endemic or it could be other reasons.

Table 4 Relationship between Factors beyond Education and Experience in Business Field

ANOVA Table

			Sum of Squares	df	Mean Square	F	Itself.
Business Field * X3	Between Groups	(Combined)	64,472	3	21,491	26,961	,000
		Linearity	61,049	1	61,049	76,589	,000
		Deviation from Linearity	3,423	2	1,711	2,147	,123
	Within Groups		67,753	85	,797		
	Total		132,225	88			

The results of multiple linear regression analyses are applied to determine whether or not there is a role for educational background factors (x1), past business

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experience (x2), and factors other than education and experience (x3), in the selection of business fields carried out. The results of the analysis as shown in the table below;

Table 5 Test Hypothesis
Coefficients

Model	Unstandardized Coefficients		Standardized Coefficients	T	Itself.
	B	Std. Error	Beta		
(Constant)	-13,745	1,319		-10,424	,000
X1	,616	,089	,415	6,902	,000
X2	,258	,071	,218	3,641	,000
X3	,667	,064	,620	10,396	,000

a. Dependent Variable: Business Field

Based on the data in the table, a multiple linear regression equation can be formed as follows; Y = 13.745 + 0.616 X1 + 0.258 X2 + 0.667 X3 + e
Where Y = Field of business; X1 = experience factor; X2 = educational factor; X3 = factors other than education and experience

The value of the experience factor coefficient for variable X1 of 0.616 can be interpreted as each additional magnitude of the experience role of 0.616 will increase the tendency to choose a particular field of business, assuming the other factors in the regression model do not change. While the value of the educational factor coefficient for the variable X2 of 0.258 can be interpreted as each additional magnitude of the role of education of 0.254 will increase the tendency to choose a particular field of business, assuming other factors in the regression model do not change. Similarly, the value of the coefficient of factors other than education and experience for variable X3 of 0.667 can be interpreted as any additional magnitude of the role of factors other than education and experience of 0.667 will increase the tendency to choose a particular field of business, assuming the other factors in the regression model do not change.

Furthermore, a hypothesis test was carried out to determine the absence of influence of factors such as experience, education, and factors other than experience and education. The criteria for acceptance or rejection of the hypothesis with the t-test (partial test) are as follows: first, the influence of experience factors on the field of business is run. The result of the t-test count of 6.902 which is greater than the t table of

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1.984 so Ho is rejected and thus Ha is accepted. This means that the experience factor has a positive and significant influence on the chosen business field. Second, the influence of educational factors on the business field being run. The result of the t-test obtained a t count of 3.641 which is greater than the t table of 1.984 so Ho is rejected and thus Ha is accepted. This means that the education factor has a positive and significant influence on the chosen business field. Third, the influence of factors other than experience and education on the business field. The result of the t-test obtained a t count of 10.396 which is greater than the t table of 1.984 so Ho is rejected and thus Ha is accepted. This means that the experience factor has a positive and significant influence on the chosen business field.

Furthermore, simultaneous tests were carried out using the F test where the criteria The results of the analysis showed a calculated F-number of 6.689 which was greater than the F-number of the table of 2.701, thus the experience factor, educational factor, and factors other than experience and education together have a positive influence on the business field run by KBMI students. The results of the analysis as shown in the table below;

Table 6 Good Fit Model
Test Table F

Model	Sum of Squares	df	Mean Square	F	Itself.
Regression	92,799	3	30,933	6,689	,000[b]
Residual	39,426	85	,464		
Total	132,225	88			

a. Dependent Variable: Business Field
b. Predictors: (Constant), X3, X2, X1

As stated in the previous sub-chapter, the determining factors for choosing a business field are grouped into three, namely experience factors, education factors, and factors other than experience and education. Based on the results of data processing using the SPSS program version 2.0, an R square number of 0.702 was obtained. This shows that most (70.2%) of the factors considered by KBMI students in choosing a particular business field can be explained by three classifications that are used as research variables. In other words, factors outside the study only have a contribution of 29.8%

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Table 7 Model Summary

Model Summary

Model	R	R Square	Adjusted R Square	Std. The error in the Estimate
1	,838[a]	,702	,691	,681

a. Predictors: (Constant), X3, X2, X1

CONCLUSION AND RECOMMENDATIONS

Based on the description above, several conclusions can be drawn as follows: first, the Experience Factor, partially, affects the business field run by KBMI students. Second, 2. The Education factor, partially, affects the business fields run by KBMI students. Third, factors other than experience and education, partially, affect the business fields run by KBMI students. The four experience factors, educational factors, and factors other than experience and education simultaneously affect the business fields run by KBMI students. The results showed that the most inspiring factor in determining the field of business is the experience factor, both successful experience and failed experience. Experience has been (and still is) in business and experienced growth will make students open similar businesses in other locations or at least will increase their production capacity. On the other hand, the experience of having failed in a particular business does not mean that this business field is avoided, it could be that failure in the past provides knowledge about how it should be done when doing business in the same business field. Another interesting thing is that it turns out that educational background, meaning knowledge and skills learned from college, does not inspire their business ideas.

Some of the students seem to be pragmatic in choosing a business field, so the hope for the development of technopreneurship may need more effort. Here the role of universities in motivating and facilitating students to enter the field of technopreneur is needed. While the third group of factors, namely factors other than experience and education, opens up the fact that there are still many students who just try in doing business (or in participating in the KBMI program). Without any experience, they dare to try to do business, perhaps because they do not go out of capital at all so they take a nothing-to-loose attitude. Of course, this needs an in-depth study to determine policies to anticipate in the future. It is necessary to conduct further research related to factors that

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are not included in this study to provide a complete picture of all factors that influence the selection of KBMI students in business fields.

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