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# THE INFLUENCE OF ENTREPRENEURIAL MOTIVATION, ENTREPRENEURIAL SELF-EFFICACY, ENTREPRENEURIAL ORIENTATION TOWARD GREEN ENTREPRENEURIAL INTENTION

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Abstract: This study aims to analyze the influence of Entrepreneurial Motivation, Entrepreneurial Self-Efficacy (ESE), and Entrepreneurial Orientation toward Green Entrepreneurial Intention with ESE as an intervening variable between entrepreneurial motivation and green entrepreneurial intention. The respondent in this study is a management and accounting student-faculty of economics and business University of Muhammadiyah Purwokerto and obtained 71 respondents. The method in this research uses structural equation modeling with a partial least square approach. The result of the study reveals entrepreneurial motivation affect entrepreneurial self-efficacy, entrepreneurial motivation affects green entrepreneurial intention, entrepreneurial orientation does not affect on green entrepreneurial intention, entrepreneurial self-efficacy does not affect green entrepreneurial intention, and entrepreneurial self-efficacy does not mediate relationship between entrepreneurial motivation toward green entrepreneurial intention.

**Keywords:** Green Entrepreneurial Intention, Entrepreneurship, Entrepreneurial Motivation, Entrepreneurial Self-Efficacy, Entrepreneurial Orientation

#### Introduction

According to Romli (2019) in Maryani & Yuniarsih (2022) The measure of a country's economic resilience can be measured by how many entrepreneurs there are in that country. This is following the position that a large number of entrepreneurs is very important to realize the country's development towards a prosperous society. The international standard for the entrepreneurial ratio is 2%. Indonesia's national entrepreneurial ratio in 2021 is 2,89% of the total Indonesian residence (Kementerian Koperasi dan UKM Indonesia, 2022). In addition, 4 million new entrepreneurs are needed for Indonesia to encourage the strengthening of the economic structure (Kementerian Perindustrian Republik Indonesia, 2018)

In addition, quoted from Kompas.com (2022), according to the 2021 IQ Air World Air Quality Report, the country with the 17th highest level of air pollution in the world was won by Indonesia. This report also states that Jakarta is again the first most polluted populous city in Indonesia. That matter shows that population is one of the problems for Indonesia and needs to reduce pollution.

One of the solutions to solve problems related to pollution in society is by triggering the growth of green entrepreneurs. Pearce & Barbier (2000) in Chee & Nordin (2020)

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describe a green entrepreneur is someone who seeks to transfigure an economic industry towards sustainability by starting a business in that sector with green design, green processes and a lifetime commitment to sustainability. Gaest et al (2017) in Qazi, et al (2020), according to the ecological theory, humans eventually beget detriment, and detriment should be urgently mitigated. All problems related to the environment can be overcome by "sustainability". Green entrepreneurship is the way to reduce pollution around the world, green entrepreneurship emphasizes building a business with environmental and social value, not just

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Based on survey results related to green entrepreneur practices launched by the United Nations Development Programme, Kementerian Koperasi & UKM Indonesia, and Indosat Ooredoo revealed that around 95 percent of UMKM expressed interest in green entrepreneur practices, with women-owned businesses showing greater interest. bigger. Therefore, this study aims to determine green entrepreneurial intention from students majoring in management and accounting at Faculty of Economics and Business, University of Muhammadiyah Purwokerto. In addition, that intention has the potential to encourage entrepreneurial growth.

for profit. Only also can the sustainability of the business be achieved.

Previous research by Maryani & Yuniarsih (2022)entitled "Pengaruh Entrepreneurial self-efficacy dan **Entrepreneurial** Orientation Terhadap entrepreneurial *Entrepreneurial Intention*" show that self-efficacy affect green entrepreneurial intention is positive and significant. Besides that, tentrepreneurial orientation affect green entrepreneurial intention is positive and significant. This research developed from previous research by Maryani & Yuniarsih (2022). The variables independent in this research are entrepreneurial motivation and entrepreneurial orientation. Then, entrepreneurial selfefficacy is an intervening variable and the variable dependent in this research is green entrepreneurial intention.

Little research that discusses the intention of green entrepreneurs makes this research possible. Maybe many have discussed the intention to become entrepreneurs but only a few have brought a green theme.

The formulation of the problem is (1) Does entrepreneurial motivation affect entrepreneurial self-efficacy? (2) Does entrepreneurial motivation affect green entrepreneurial intention? (3) Does entrepreneurial orientation affect green entrepreneurial intention? (4) Does entrepreneurial self-efficacy affect green entrepreneurial intention? (5) Does entrepreneurial self-efficacy mediate the influence between entrepreneurial motivation and green entrepreneurial intention

Research purposes are; (1) to find out whether entrepreneurial motivation affect entrepreneurial self-efficacy (2) to find out whether entrepreneurial motivation affect green entrepreneurial intention (3) to find out whether entrepreneurial orientation affect green entrepreneurial intention (4) to find out whether entrepreneurial self-efficacy affect green entrepreneurial intention (5) to find out whether entrepreneurial self-efficacy mediates the influence between entrepreneurial motivation and green entrepreneurial intention.

### **Literature Review**

Green Entrepreneurial Intention

According Pearce & Barbier (2000) in Chee & Nordin (2020) that describe a green entrepreneur is someone who wants to change the industry towards sustainability by begining a business in a sector with green design, green processes and a lifetime commitment to sustainability. Hence, green entrepreneurial intention is interest that arises from within us to become green entrepreneurs. Green entrepreneurs is very important to encourage it's growth

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because after all a good business is a "sustainable business" and green entrepreneurs is the way to achieve that.

## Entrepreneurial Self-Efficacy

Self-efficacy refers to an individual's belief in completing a task or a series of tasks (Bandura (1977) in McGee, Peterson, Mueller, & Sequeira, (2009)). Meanwhile, according Boudreaux et al (2019) in Simarasi et al (2022) reveals that entrepreneurial self-efficacy is related to an existent's belief in their abilty and chop to start and run a business. Thus, entrepreneurial self-efficacy refers to individual ability to launch and manage a ventures. Entrepreneurial self-efficacy was chosen because it is a central content in exploring entrepreneurship because of its impact on important issues, such as entrepreneurial intentions

(Piperopoulus P & Dimov D, 2015). Indicators of entrepreneurial self-efficacy in this study are Searching, Planning, Marshasling, and Implementing (McGee., Peterson, Mueller, & Sequeira, 2009).

### **Entrepreneurial Orientation**

Entrepreneurial Orientation refers to the nature of the organization that reflects how "entrepreneurship" manifests itself in the operations of the organization, with certain related areas of entrepreneurship, understanding proof of risk taking, innovation and initiative. (Covin & Slevin, (1989); Miller, (1983) in Covin & Wales (2019)). Lumpkin and Dess define entrepreneurial orientation as a strategy for building a process, structure, and behavior that facilitates opportunities with characteristics of autonomy, risk taking, innovation, proactivity, and competitiveness. (Lumpkin and Dess (1996) in Wongmuek, K. (2018)). Entrepreneurial Orientation reflects "how a company is organized to determine and exploit opportunitites (Wiklund & Stepherd, 2003 in Kusa et al, 2021). According Miller (1983) in Ferreira et al (2011) say that the concept of entrepreneurial orientation is seen as a combination of three confines: (1) innovativeness (2) risk taking (3) proactiveness. Indicators of entrepreneurial orientation in this research are Innovativeness, Risk Taking, Proactiveness, Competitive aggressiveness, autonomy (Schilo, 2011).

# **Entrepreneurial Motivation**

Entrepreneurial motivation is a driving force that arises from within us to make sweats as a form of business to achieve the intention of becoming an entrepreneur. This is in line with the opinion of Meilani & Panduwinata (2022) who say that motivation is a determining factor in the conformation of an entrepreneurial spirit. According to Dewi & Subroto, (2020) in Meilani & Panduwinata, (2022) reveals indicators of entrepreneurial motivation are; (1) The desire to succeed. (2) Motivation and need for entrepreneurship. (3) Hopes and wishes for the future. (4) Awards in entrepreneurship. (5) An attractive desire for entrepreneurship.

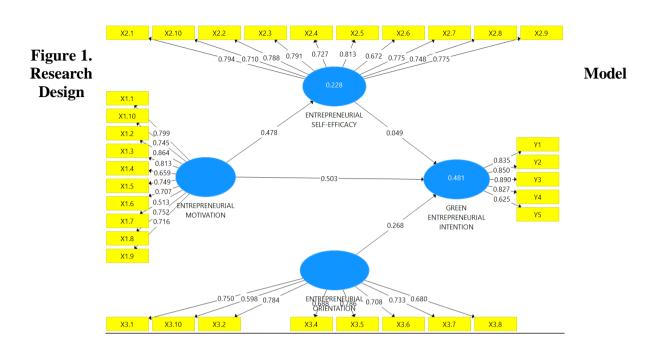
### Method

The study used primary data obtained by filling out a questionnaire (Sugiyono, 2014). The sample used in this study were Management and Accounting students at the Faculty Of Economics And the Business University of Muhammadiyah Purwokerto. The sample collection technique used purposive sampling. This research method used structural equation modeling with a partial least square approach

### **Result and Discussion**

The data collected in this study were analyzed with PLS-SEM. According to Hardle, (2011) in Chee & Nordin (2020), SEM is a widely used second-generation multivariate data analysis technique in research because it can test theoretically supported linear and additive random models.

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Source: Data Processing Results

The results of the data analysis show that entrepreneurial motivation (EM) has an effect on entrepreneurial self-efficacy (ESE) with a value of P=0.000 which is P<0.05, entrepreneurial motivation (EM) has an effect on green entrepreneurial intention (GEI) with a value of P=0.000 which is P<0.05, entrepreneurial orientation (EO) does not affect green entrepreneurial intention (GEI) because P value = 0.135 which is P>0.05, entrepreneurial self-efficacy (ESE) does not affect green entrepreneurial intention (GEI) because P value = 0.716 which is P>0.05, entrepreneurial self-efficacy (ESE) does not mediate the relationship of entrepreneurial motivation (EM) to green entrepreneurial intention (GEI) with P value = 0.734 which is P>0.05. The results of data analysis are presented in the table below:

**Table 1. Significance Test Value** 

	Original Sample	Sample Mean	Standard Deviation (STDEV)	T Statistics ( O/STDEV )	P Values
EM -> ESE	0.478	0.498	0.082	5.860	0.000
EM -> GEI	0.503	0.485	0.128	3.925	0.000
EO -> GEI	0.268	0.313	0.179	1.499	0.135
ESE -> GEI	0.049	0.035	0.135	0.364	0.716
EM -> ESE ->					
GEI	0.023	0.019	0.069	0.339	0.734

Source: Data Processing Results

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From the results of the study, it was found that entrepreneurial motivation affect entrepreneurial self-efficacy which shows that entrepreneurial motivation of students of the management and accounting study program at the University of Muhammadiyah Purwokerto towards entrepreneurial self-efficacy will increase the abilities to search, planning, marshaling, and implementing needed to begin a green business. In addition, it was also found that entrepreneurial motivation affect green entrepreneurial intention, this indicates that the desire to become a student entrepreneur will increase the intention to become a green entrepreneur. This also answers the formulation of the problem that entrepreneurial motivation influences entrepreneurial self-efficacy and entrepreneurial motivation influences green entrepreneurial intention

However, the results of the study also reveal that entrepreneurial orientation does not affect green entrepreneurial intention, and entrepreneurial self-efficacy does not affect green entrepreneurial intention. This shows that abilities of entrepreneurial orientation possessed by students like Innovativeness, Risk Taking, Proactiveness, Competitive aggressiveness, and autonomy don't affect student intention to become green entrepreneurs. Meanwhile, entrepreneurial self-efficacy abilities possessed by students such as searching, planning, marshaling, and implementing not affect student intention to become a green entrepreneur. This also contrasts with the results of the research by Maryani & Yuniarsih (2022) which shows that entrepreneurial orientation has a positive and significant effect on green entrepreneurial intention and entrepreneurial self-efficacy has a positive and significant effect on green entrepreneurial intention.

Other results reveals that entrepreneurial self-efficacy does not mediate the influence between entrepreneurial motivation and green entrepreneurial intention. This indicates that student self-efficacy does not affect entrepreneurial motivation on green entrepreneurial intentions.

#### Conclusion

To conclude, the result of this study is entrepreneurial motivation affects entrepreneurial self-efficacy, entrepreneurial motivation also affects green entrepreneurial intention, entrepreneurial orientation does not affect green entrepreneurial intention, entrepreneurial self-efficacy also does not affect green entrepreneurial intention, and entrepreneurial self-efficacy not moderate relationship variable between entrepreneurial motivation and green entrepreneurial intention. From these results, we conclude that there is potential for students faculty of economics and business to become entrepreneurial intention entrepreneurial motivation. We hope that this research can become entrepreneurial literacy and a reference for further research.

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