

CHAPTER I

INTRODUCTION

1.1. Background of the research

Human basically is differ in terms of the needs. Therefore, the way to meet their needs might be different. For example, people need for money could be accomplished by self working (entrepreneurial intention) or working of employees. Entrepreneurship is a self career which can help economic development process in the sector increase employment and be able to create wealth (Nyadu-Addo & Mensah, 2017).

People choose to start becoming entrepreneurs because of it is as an alternative to get additional income, or also as a main income of house hold. It can be argued that entrepreneurship can be the main means of making a profit. It can also be a side business to get more profits. In entrepreneurial activities, entrepreneurs continue to be challenged to cultivate wish existing resources to be able to meet the needs of their customers getting income from the entrepreneurial process that can generate profits for these entrepreneurs, so that the needs can be met.

Entrepreneurship might be associated with opportunities to start business or pressure from outside to forces someone to be an entrepreneur, called as pull and push factor. This factor can be reason people become the entrepreneurs (Ferdausi et al, 2014). These factor reflect two different ways as reasons why someone chooses a job as an entrepreneur.

Entrepreneurial activities can be related to motivation. Employee motivation can influence someone who begins to start or run an entrepreneurial activity. In this opportunity the researcher will elaborate a theory consisting of two factor strategy which is the reason why someone wants to become an entrepreneurs, can we say the name of theory is pull and push strategy. Both of these theory, explain that this theory occurs because of internal influence and external influence on several problem that make them choose to become entrepreneurs (Dawson & Henley, 2012).

Everyone has the opportunity to participate in entrepreneurial activities and does not exclude the possibility for students to become entrepreneurs by providing capital and willingness to become entrepreneurs. (Taormina & Lao, 2007). There are several factors that force a student to be required to be entrepreneur such as needs for money and the students anxiety about the limitations of job opportunity in the future. By this reason, researchers will examine the driving factors that drive students of Andalas University intent to be entrepreneurs while there are completing study at university.

In the entrepreneurial process, the knowledge about the meaning, purpose, and main purpose of entrepreneurship need to be understood by the students. therefore, special learning about entrepreneurship is needed to be success. In entrepreneurship education consists of various branches of knowledge about all matters related to activities related to entrepreneurship.

In this research the researcher will focus on the pull factors and push factors of motivational theory toward the interest on student of Andalas University to be

entrepreneur. Pull and push factors is a factor that forces someone to become an entrepreneur because pull and push factors is the influence the people to do the entrepreneurial activity. Most of student of Andalas University become an entrepreneur because of external factors or have a negative condition and the internal factors or have a positif condition that by reason of being able to choose the entrepreneurial activity and that problem make the people become entrepreneurs to solve the problem from the individual condition (Ferdausi et al, 2014).

The reason of people choose the entrepreneurship as the way to solve the problem, that is pull and push factors of motifational theory to make the people become an entrepreneurs (Dowson, 2012). Pull factor is the factor that have made a people choose entrepreneurship as they job and without coercion or pressure, and the push factor that have made a people choose entrepreneurship as they job and with coercion or pressure with the aim that the entrepreneurship can solve the problem or pressure of the person.

In this research, the researcher described the reasons for the underlying reason why someone who wanted to become an entrepreneur and the respondent the researcher would take was students from Andalas University. In motivation theory, it is translated into two kinds of factors which are the reasons why someone wants to become an entrepreneur in the reason to want to fulfill his life's needs, namely driving and pulling factors. These two factors are very closely related to the environmental factors of the respondents because both of these factors are related to the conditions of the respondent to the environmental influences that cause a person to become an entrepreneur. Thus the main reason that gives great impact

from the selection of entrepreneurship depend on needs is the feeling of wanting to fulfill income or can be said to be a human need for money.

Pull factor is a factor that causes individuals to become entrepreneurs. In pull factors can be influenced by internal factors of an individual, including business traditions in the family, want to feel a challenge (Ferdausi et al 2012), the need for achievement, want to feel free, gaining high status (Deng et al 2012). Pull factor is an aspect that makes entrepreneurship an option for individuals, not as a necessity.

Push factors are factors that cause individuals to become entrepreneurs but with rather compelling reasons. In pull factors, it can be influenced by external factors from individuals, including radio influenced by family drive because family conditions are under pressure and cause individuals to take part in greeting entrepreneurship (Ahmad, 2016), economic condition and future limitation on job opportunity that become pressures and threats for individuals and forcing them to choose employment as entrepreneurs (Deng et al 2012).

1.2. Problem Statements

Base on the explanation on background above, researcher analyze the problemare formulated as follow:

1. How does the pull factor (i.e. family business tradition, achievement, gaining high social status, new challange, independent) impacts on entrepreneurship intention of students of Andalas University?

2. How does the push factor (i.e. economic condition, future limitation on job opportunity, family pressure) impacts on entrepreneurship intention of students of Andalas University?
3. How does the pull and push factors influence the entrepreneurial intention on students of andalas university?

1.3. The Purposes of the Research

Based on the problem statement above, the purpose of this as follows:

1. To analyze the influence of pull factor as a motifational theory on entrepreneurial intention on students of Andalas University.
2. To analyze the influence of push strategy as a motifational theory on entrepreneurial intention on students of Andalas University.
3. To analyze the influence of pull and push strategy on entrepreneurial intention on students of Andalas University.

1.4. Contributions of the Research

1. The researcher expected this finding of the research can be a reference for future studies related to entrepreneurial intention, it is expected to develop entrepreneurship education in Andalas University.
2. In this aspect, it is expected to understand factors that drive students to be entrepreneurs from pull adn push factors.

1.5. Scope of the Research

This research limited object on student of Andalas University who are either entrepreneurial or not entrepreneurial, and this research will be based on three variables where the push factor and pull factor are independent variables and entrepreneurial intention are dependent variables and results researchers will get is how much influence pull and push factors on entrepreneurial intentions on the student of Andalas University.

1.6. Outline of the Research

In this research the researcher will describe this research into five chapter which consist into several sub chapter which will be describe as follows:

Chapter I : Introduction

In this first chapter will be describe about background, problem statement, research purpose, benefit os research, scope of research, and outline of research which are the reason is researcher raise this issue as research.

Chapter II : Literature Review

In this second chapter contrains the theoritical foundation, the development of hypotheses and previous esearch, as well as the framework of the analysis of problem that will be adopted reseacher and reseacher will describe later problem related to the material that reseachers will develop.

Chapter III: Research Methodology

In this chapter contains an explanation of research methods consisting of design research, sample population and sample research, type of data and measurement variable, research variables, operational definition, data analysis, instrumental test, structural model test, and hypothesis testing.

Chapter IV: Research and Analysis

This chapter explain about result of researcher survey, are that consist respondent character, frequency of distribution if each variable, validity test, reliability test, and discussion about analysis the effect of entrepreneurship education on entrepreneurship intention with motivation strategy, specially in push strategy as mediating variable.

Chapter V : Conclusion, Limitation, and Recommendation

In this chapter reasercher want to decribe about result of this research, implication about this research, limitation of this research and recommendation for next research and the recomendation of this topic for next research to make the research more complitlly

