

The Influence of Entrepreneurship Education and Family Environment on Interest in Continuing the Family Business

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ABSTRAK

A family business is a business managed by family members. Family businesses are often passed on to other family members to continue the business that has been built. However, to continue this business, entrepreneurship education, and a supportive family environment are also needed. Because entrepreneurial education and family environment usually influence the knowledge, skills, and how successors manage the family business. Therefore, this research aims to find out a picture of entrepreneurship education and the family environment on interest in continuing the family business. The object of this research is students at Universitas Pendidikan Indonesia Kampus Tasikmalaya, who own a family business. This research uses quantitative methods with a descriptive verification approach. The data collection technique in this research used simple random sampling with a population of 500 Universitas Pendidikan Indonesia Kampus Tasikmalaya students and a research sample of 30 samples. The results of this study indicate that there is no effect of entrepreneurship education on interest in continuing the family business, as well as the influence of the family environment on interest in continuing the family business. This research is expected to generate insight into the importance of entrepreneurship education and the family environment to maintain the continuity of the family business. And entrepreneurship education can also foster the values of an entrepreneur.

Kata kunci: Entrepreneurship Education; Family Environment; Interest; Family Business

INTRODUCTION

Family businesses are one of the businesses that have not gone unnoticed in the world of entrepreneurship, as they are majority-owned and managed by family members. The general concept of a family business is one whose main ownership and control is owned by the family, where two or more family members are directly involved in the business. [1]. Based on a survey conducted by Price Waterhouse Copper in 2014, it was stated that 95% of Indonesian companies are family businesses. This shows that family businesses have a significant influence on the economy in Indonesia. [2]. According to (Wahjono, 2018), The characteristics of family companies include the presence of family members in the company's top leadership structure; there is powerful family control; the family owning 30% or

more of the company's shares; the founders and successors of the company come from the family. [3]. However, a family business does not just aim to make a profit; the successor can maintain the values and traditions inherited from the previous generation. In a survey conducted by Daya Qarsa in 2022, it was stated that as many as 70 percent of family companies in Indonesia could not survive until the second generation [4]. From the survey results, the importance of the next generation can adapt from the family values adopted and applied to the demands of today. Continuing the family business requires interest from the next generation, and growing interest requires the desire that the business is valuable and part of the family.

Family businesses can fail or not grow because they have various problems both internal and external.. One of the problems is the lack of interest of children to continue the family business. This is reinforced by (Morais et al., 2017) that the role of social pressure on the successor's interest in taking over the family business is related to attitudes, norms, and behavioral control that identify the successor's perception of the ability to take over the family business.[5]. According to (slameto, 2023), interest is the emergence of a sense of liking for the connection of an activity without any coercion from any party.[6]. Successors to family businesses often have different interests from their parents. Interest has a significant role in the success of a business. Without this, the effort and dedication given will not be the same as the next generation of interest pioneers who will take over from the previous generation about how resources are provided, namely in the form of training or entrepreneurship education.

According to Basrowi (2016: 40), "interest in continuing the family business is influenced by several factors, namely: encouragement from parents, encouragement from teachers, the availability of infrastructure and facilities or facilities, as well as environmental conditions and entrepreneurship education." [7]. From here, the role of entrepreneurship education becomes essential as one of the ways to foster children's interest in continuing the family business so that the business continues. Embedding entrepreneurship education in the family environment can be done with a habituation process when children grow and develop. Entrepreneurship education is a learning that is used for the long term, so it is essential to start and be taught in the world of education, from elementary level to college. This will help form competent future entrepreneurs.

In the era of globalization, entrepreneurship education has

become an exciting and famous center of attention worldwide. This comes from increasing everyone's awareness of the importance of the entrepreneurial spirit. Entrepreneurship education can shape a student's mindset, attitudes, behavior, and encourage them to choose entrepreneurship as a directed career choice.[8]. Therefore, it could create successful entrepreneurs.[9]. Thus, parents should be able to guide their children to become entrepreneurial successors of the family business so that they always become the next generation who can continue the family business based on entrepreneurship education.

In addition to entrepreneurship education, the family environment also greatly impacts the interest in continuing the family business. When children grow up in an environment where entrepreneurial values are nurtured and valued, they are more likely to see the family business as an attractive and viable option to pursue. The family environment is the first and foremost environment that influences the development and behavior of children. In the family environment, children receive attention and affection from parents, encouragement, advice, examples, and satisfaction of parents' economic needs so that children can develop all their potential for their future development. In addition, the family will instill the values of the standard of living, and in the end, the child will use it to develop his personality and hopes for the future. "The first environment that has a greater influence on children" is the family environment.[10]. Children learn all basic skills, both social and intellectual, from family members (father, mother, and siblings).

In the family environment, parents have an important role in their children's future, so that it can indirectly affect the future of their children's work, for example, by fostering their children's interest in doing business. According to Yusuf (2012: 34), "the family environment plays an important role in fostering interest in entrepreneurship" [11]. Parents who have a business will significantly influence their children's ability to start a business. Therefore, family encouragement is vital in children's growth and development to make them successful entrepreneurs.

The family is often where the family business's values, culture, and history are passed down from generation to generation. This creates a sense of ownership and responsibility towards the business, encouraging children's interest in preserving cultural heritage. Parents and older family members also serve as role models who can motivate

and inspire their children to continue the entrepreneurial tradition. In addition, the family environment provides opportunities for children to participate in business from an early age, giving them real-life experiences that can develop their interest and understanding of business activities. Furthermore, family support in the form of education, mentorship, and training also contributes to equipping children with the skills needed to succeed in continuing the business

Therefore, the family environment plays a vital role in determining whether or not a child will continue the family business. Factors within this environment can majorly influence a child's decision. Firstly, the values and culture of the family often form the foundation of ethics that will influence how the child views the family business. Second, the education and training provided in the family is highly relevant. Children who receive appropriate education and training will be better prepared to manage the business. Furthermore, seeing parents or other family members who successfully run the family business can also be a motivational factor. In addition, family business conditions such as finances, reputation, and market development also play a role in children's decision-making. Therefore, the child's desires and interests must be considered by parents because some children may have different interests and talents and prefer to work outside the family business.

This study aims to determine the importance of entrepreneurship education and the family environment in fostering the next generation's interest in continuing the family business. Therefore, this research is expected to be an insight for readers, especially those who have a family business, to continue the next generation to continue the business.

RESEARCH METHODS

The research flow in this study is first to formulate the problem and determine what theories are tested. Then, look for previous research journals to support the research of this article and determine what variables you want to test. Then, determine the research method you want to use, both determining the sample, criteria, data analysis, and data testing. This research method uses descriptive verification quantitative research methods. This method is statistical data or numbers to test hypotheses that have been determined to examine populations or samples that have been collected based on the philosophy of positivism.[12]. Descriptive verification methods collect, process, analyze, and interpret data to test statistical hypotheses to show the truth of existing facts and the relationship between the variables studied. Data analysis in this study uses multiple linear regression analysis to prove the extent of the relationship between the influence of entrepreneurship

education variables (X1) and the family environment (X2) on interest (Y). This data analysis is used as "an effort to systematically search for and compile records of observations, interviews, and others, to increase the researcher's understanding of the cases studied and present them as results to others" [13]. Multiple linear regression analysis is an association analysis that tests simultaneously the influence of two or more independent variables on one variable depending on the scale interval. Multiple linear regression analysis is an association analysis that tests simultaneously the effect of two or more independent variables on one dependent variable on an interval scale. [14]. The object of this research is UPI Tasikmalaya students who have a family business. The population in this study amounted to 500 people. Researchers took a sample of 30 people. The sampling technique used is simple random sampling, which takes samples from the population without specific criteria and gives each individual population the same opportunity without a particular stratum. [15]. The researcher collected the data using a questionnaire to get information from the respondents. For the technique of testing the validity of the questionnaire, this article uses validity, reliability, and classical assumption tests that have passed, and there are no problems with the data. Then, to test the hypothesis of the effect of X1 and X2 on y using multiple linear regression tests and the coefficient of determination. The final stage of this research flow is to make conclusions and suggestions from the research results for those in need and help other researchers to continue further research.

RESULTS AND DISCUSSION

Validity and Reability Test Results

The validity test (Noor, 2014: 19) is used to see the feasibility of the question items in the questionnaire that can define a variable. [16]. After testing the validity of the variable indicators of Entrepreneurship Education (X1), Family Environment (X2), and Interest in Continuing the Family Business (Y), the results show that the indicators in the three variables are valid because the significance value is > 0.05 . Meanwhile, the reliability test on the Entrepreneurship Education variable (X1) obtained a Cronbach Alpha result of 0.925, the Family Environment variable (X2) of 0.909, and the interest in continuing the family business (Y) of 0.920. Because the three variables have a Cronbach Alpha value greater than the cutoff value of 0.6, it can be concluded that the two variables are reliable. (Sugiyono, 2007) says Reliability calculations can only be done if the variables on the questionnaire are valid. Thus, you must calculate the validity before calculating the reliability, so if the questions on the questionnaire are invalid, there is no need to continue with the reliability test. [17].

Classical Assumption Test

The tests for heteroscedasticity, multicollinearity, and normality make up the traditional assumption test. The purpose of the normality test, according to Ghozali (2016), is to determine if the distribution of an independent variable, the dependent variable, or both, in a regression model is normal or abnormal. [18]. Based on the normality test using the Kolmogorov-Smirnov test, a significant level value greater than 0.05 is obtained, namely 0.361, where this value is appropriate and the data distribution is normally distributed. Ghozali (2016) states that the multicollinearity test looks for evidence of a correlation between independent variables or between independent variables and the

regression model. In the multicollinearity test, it is found that the tolerance value of 0.316 is greater than 0.10, and the VIF value of 3.160 is more minor than 10.00, so it can be concluded that in the regression model, there are no multicollinearity symptoms. Then, the Heteroscedosity test shows that the sig value on X1 is 0.333 and X2 is 0.216, which means the sig value is > 0.05. So, heteroscedasticity does not occur. According to (Ghozali, 2016), a good research model is that there is no heteroscedasticity.

Multiple Linear Regression Test Results

Table 3.2.1
Multiple Linear
Regression Test Results
Coefficient

Model		Unstandarized Coefficients		Standardized Coefficients		
		B	Std. Error	Beta	t	Sig
1.	(Constant)	.038	4.209		.009	.993
	Education (X1)	.091	.210	.094	.435	.667
	Environment (X2)	.721	.223	.697	3.236	.003

Source: SPSS 26 data processing results (2023)

Based on the data in Table 3.1, the results of multiple linear regression equations can be obtained as follows:

$$Y = 0.038 + 0.091X1 + 0.0721X2$$

1. The aforementioned multiple linear regression model equation demonstrates that the constant value of 0.038 indicates that the desire to carry on the family firm will still be established at 0.038 in the absence of entrepreneurship education and a supportive family environment.
2. The regression value of 0.091X1 (Positive) means that if the entrepreneurship education variable (X1) increases by 1 unit, assuming the family environment variable (X2) is constant, then the interest in continuing the family business (Y) will increase by 0.091 units.
3. The regression value of 0.072X2 (Positive) means that if the family environment variable (X2) increases by 1 unit, assuming the entrepreneurship education variable (X1) is constant, then the interest in continuing the family business (Y) will increase by 0.072 units.
4. Hypothesis testing 1 shows that there is no effect of entrepreneurship education (X1) on Y, as the t value is 0.435 < t table 2.052 and the Sig value for the influence of X1 on Y is 0.667 > 0.05. As a result, H1 is rejected. Contrary to Adhitama's (2014) research findings, which indicate that entrepreneurship knowledge and education might influence an individual's desire to sustain a family firm, [19]. In the results of his research, entrepreneurship education partially has a positive relationship to interest in entrepreneurship and hypothesis testing, the Sig value for the effect of X2

on Y is $0.003 < 0.05$ and the t value is $3.236 > t$ table 2.052 so that H2 is accepted because of the influence of the family environment (X2) on Y. Suhartini's (2011), which holds that the family environment influences the interest in carrying on the family business, supports this. According to the findings of his study, there is a partial positive correlation between entrepreneurial interest and the familial environment [20].

Table 3.2.2
F test count
ANOVA

Model		Sum Of Squares	df	Mean Square	f	Sig.
1.	Regression	541.949	2	270.975	20.531	.000b
	Residual	356.351	27	13.198		
	Total	898.300	29			

Source: SPSS 26 data processing results (2023)

Table 3.1.2 indicates that the computed f value is $20.531 > 3.33$, and the significance value for the simultaneous influence of X1 and X2 on Y is $0.000 < 0.05$. Thus, H3 is recognized, indicating that X1 and X2 are influencing Y at the same time.

Table 3.2.3
Determination Coefficient Test (R²)

Model	R	R Square	Adjusted R Square	Std. Error of the Estimste
1	,777	,603	,574	3,63293

Source: SPSS 26 data processing results (2023)

Based on Table 3.1.3, it can be seen that the coefficient of determination (R²) is found in the R Square value of 0.603. This means that the effect of entrepreneurship education variables (X1) and family environment (X2) on interest in continuing the family business (Y) is 0.603% or 60%, the rest is explained by other variables not discussed in this study.

CONCLUSION AND RECOMMENDATION

From the results of the research above, it is found that the effect of entrepreneurship education (X1) on interest in continuing the family business (Y) does not have a significant effect. However, it has a positive influence on the interest of the next generation in the family business. Entrepreneurship education helps develop skills and insights for the next generation to be able to prepare more mature to run a family business. Family environment (X2) on interest in continuing the family business (Y) has a significant influence.

This explains that a positive and supportive family environment can foster the next generation's interest in continuing the family business, passing on values, and being inspired by family members who are successful in running a business for the next generation. Therefore, the family environment is one of the essential aspects so that the next generation can be more confident and continue in the footsteps of the previous generation.

Although the role of entrepreneurship education is not so significant, the role of the two X variables has a role of 60%. It is hoped that there will be further research to examine other variables to determine what variables affect the interest in continuing the family business. And also conduct in-depth interviews with respondents to share information for researchers and further research.

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