

The Effect of Individual Characteristics of Millennial Generation on Entrepreneurship Behaviors: Empirical Evidence on SMEs

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The Effect of Individual Characteristics of Millennial Generation on Entrepreneurship Behaviors: Empirical Evidence on SMEs

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ABSTRACT: This study aims to examine empirically to the variable individual characteristic of millennial generation, towards entrepreneurial behavior in the context of the Millennial Generation Small Business Industry (SMEs).

This study uses a survey method, while the type of research is classified as explanatory research that explains the relationship between variables through hypothesis testing, with the number of respondents 150 people. The data analysis tool used in this study is SPSS for Windows version 20.0.

The results showed that the Individual Characteristics of Millennial Generation had an effect on Entrepreneurship Behavior. Based on the regression test results indicate that the regression coefficient (B) is 0.272 with the level of Sig.t (probability) of 0.001, (Sig.t = 0.001 < 0.05). Likewise when viewed from the value of 3.396, while t table 1.655 (t hitung = 3.396 > t table = 1.655), this means that the Individual Characteristics of Millennial Generation have a significant effect on Entrepreneurship Behavior. This can be interpreted the stronger the individual character of the millennial generation the stronger it is to shape entrepreneurial behavior.

1 INTRODUCTION

The success of a business including millennial generation in carrying out its business activities is inseparable from its internal characteristics. John, Donahue and Kente (in American Psychological Association, 2013) put forward some types of individual characteristics that influence a person's world of work and company, namely: Openness to Experience, Conscientiousness, Extraversion, Agreeableness, Neuroticism, and socio-economic conditions. One of the main characteristics of the millennial generation is characterized by increased use and familiarity with communication, media and digital technology. Furthermore, Yoris Sebastian (in the Profile of the Indonesian Millennium Generation, 2018) mentions several advantages of the millennial generation, namely wanting to be fast, easy to change jobs in a short time, creative, dynamic, technology literate, close to social media, etc.

The characteristics and distinctive characteristics of the millennial generation culture are shown among others by making technology a lifestyle (sheltered), because they are born from educated parents. They are multi-talented, multi languages, more expressive and explorative. A view of the essence of life, always convinced, optimistic, confident, wants simplicity, and everything is instant. The view of the nature of work or work, looking at achievement is something that must be achieved, work and learning more interactively through teamwork, collaboration and thinking groups, independent and structured in the use of technology, communication gadgets, in internet access prefer visual or image instructions. In

looking at human relations with space and time, the characteristics of millennial generations in communicating are Instant Communication in real time environments, Network Development, namely developing networks that enable this generation to connect with each other to connect and collaborate.

The purpose of this study was to examine and analyze the influence of individual characteristics of millennial generations, on entrepreneurial behavior of millennial Small and Medium Enterprises in Banjarmasin City.

2 THEORETICAL REVIEW

2.1 Individuals Characteristics of Millennium Generation (Gen Y)

Lyons (2004) reveals the characteristics of generation Y are: characteristics of each individual is different, depending on where he grew up, economic data, and social family, communication patterns are very open compared to previous generations, fanatical social media users and their lives greatly affected by technological developments, more open to political and economic views, so that they look very reactive to environmental changes that occur around them, have more attention to wealth.

John, Donahue and Kente (in American Psychological Association, 2013) put forward some types of individual characteristics that influence a person's work and company, namely: 1) Openness to Experience, 2) Conscientiousness, 3) Extraversion, 4) Agreeableness, 5) Neuroticism.

2.2 Entrepreneurial Behavior

An understanding of behavior is the main concern of psychology (American Psychological Association, 2013) and, therefore, discipline has developed a model of how to predict behavior. A very useful model for understanding behavior is a certain extent under will control is Theory of Planned Behavior (Ajzen, 1988). Theory assumes that behavior is best explained by intention to try to do behavior (Ajzen, 1988). Intention, in turn, is shaped by attitudes, subjective norm, and perceived behavioral control. Attitudes are determined by the belief that certain behaviors will lead to favorable outcomes. Subjective norms are determined by the beliefs of other important people (friends, family) about certain behaviors and the extent to which a person tends to obey this belief. This independent variable measures the value that people place on the opinions of people who are close to them.

2.3 Conceptual Model and Hypotheses

The success of an individual in carrying out his business activities is inseparable from the internal characteristics of the individual. John, Donahue and Kentle (in American Psychological Association, 2013) put forward several types of individual characteristics that influence a person's work and company, namely: Openness to Experience, Conscientiousness, Extraversion, Agreeableness, Neuroticism. Meanwhile, in the Indonesian Generation Profile (2018) it has been drawn that the millennial generation has unique characteristics based on region and socio-economic conditions. One of the main characteristics of the millennial generation is characterized by increased use and familiarity with communication, media and digital technology. Millennials also have the characteristics of being creative, informative, passionate and productive. They involve technology in all aspects of life, have characteristics of open communication, fanatical users of social media, their lives are greatly affected by technological developments, and are more open to political and economic views. Still in the same source, Yoris Sebastian (in the Profile of the Indonesian Millennium Generation, 2018) mentioned several advantages of the millennial generation, namely wanting to be fast, easy to move jobs in a short time, creative, dynamic, technology literate, close to social media, etc.

Based on theoretical and empirical studies as described previously, then in this study a framework of conceptual models of research is compiled such as the following figure:

Individual Characteristic of Millennial

Entrepreneurship Behavior (Y)

Figure 1 Conceptual Research Models

3 RESEARCH METHODS

In this study the types of data used are primary data and secondary data. Primary data is obtained by distributing questionnaires to respondents with a predetermined amount of 150 people of questionnaire. While secondary data is obtained from various related sources such as the Central Bureau of Statistics, Cooperatives and SMEs, the Provincial Government, Banjarmasin City, as well as other agencies.

For processing data in this study using descriptive statistical analysis and inferential statistical analysis. Descriptive statistical analysis is used to describe the characteristics of each variable such as respondent characteristics and frequency distribution of items from each variable studied. The data that has been collected is then tabulated into a table and discussion is carried out descriptively. Descriptive size is the giving of numbers, as well as in the form of a percentage. While for inferential statistical analysis, is a data analysis technique using a causality or causal approach between the independent variable and the dependent variable. Inference analysis is used to examine / analyze the influence of several variables in this study, namely by using multiple linear regression. Data processing is done using SPSS Version 20.0.

4 RESULT AND DISCUSSION

4.1. Characteristics of Respondents

Respondents in this study were leaders / owners of industries / small and medium enterprises (SMEs) included in the millennial generation in Banjarmasin City, South Kalimantan. The number of representative samples in this study were 150 respondents. Respondent characteristics in the study include:

Based on primary data collected through questionnaires, profiles of respondents by sex were obtained that the small and medium enterprises (SMEs) in South Kalimantan were dominated by women as much as 57.70%, while men were 41.30%. Judging from the age of respondents in the small and medium enterprises (SMEs) in South Kalimantan in this study, there were 28.47% aged 18 to 24 years old, 25 to 32 years old as many as 38.00%, while those aged

33 dd. 40 years 33.33%. Whereas from the education level of the respondents as most of the high school education is equivalent, which is 82.00%, the Diploma is 10.70% and the Strata (S1) is 7.30%. This educational background is very influential on a person's ability to carry out their work. The stronger the level of education a person will be, the more capable the person is in carrying out the work he is carrying out. The level of education of the businessman can describe the level. Based on working capital shows that the capital of the working class respondents of small and medium enterprises (SMEs) in the millennial generation in this study were the largest ranging from 1,000,000 ≤ IDR 5,000,000 to 34.67%, then the next 6,000,000 ≤ IDR 10,000,000 as much as 31.33%, IDR 11,000,000 IDR 15,000,000 14.00%, IDR 16,000,000 IDR 20,000,000 10.00% and IDR 20,000,000 as much as 10.00 %. Whereas their income is obtained by respondents' profiles, namely: IDR 1,000,000 IDR 3,000,000 49.33% IDR 4,000,000 IDR 6,000,000 32.67% IDR 7,000,000 IDR 10,000,000 equivalent 13 , 33% and IDR. 11,000,000 and above as much as 4.67%.

4.2. Results of Hypothesis Analysis

Table 1 Hypothesis Test

Variable	Regression Coeff (B)	T _{account}	Sig.t	r ²
Variable (X)	0,272	3,396	0,001	0,0734
Multi R	= 0,793			
R Square (R ²)	= 0,639			
F _{account}	= 26,455			
Sig. F	= 0.000			
α	= 0,05			

Analysis of testing hypothesis 1 in the Characteristic variable Millennial Generation of its influence on Entrepreneurship Behavior, shows that the regression coefficient (B) is 0.272 with a Sig.t (probability) level of 0.001, (Sig.t = 0.001 <, 0.05). Likewise, when viewed from the value of 3.396, while t table 1.655 (thitung = 3.396 > t table = 1.655), this means that the Characteristics of Millennial Generation Individuals have a significant effect on Entrepreneurship Behavior. This can be interpreted the stronger the individual character of the millennial generation the stronger it is to shape entrepreneurial behavior.

While the partial determination coefficient (r²) is 0.0734 which means that the contribution of the Characteristics of Millennial Individuals to the formation of Entrepreneurship Behavior is 7.43%. The individual characteristics will basically influence the entrepreneurial behavior of millennial generation SMEs. As John, Donahue and Kentle (in American Psychological association, 2013) stated, some types of characteristics of individuals that influence a person's work and company.

5 CONCLUSIONS AND RECOMMENDATIONS

5.1. Conclusion

Based on the discussion of the results of the study, it can be concluded that:

Millennial Generation MSMEs in Banjarmasin City have strong/good individual characteristics, measured from six dimensions/indicators that are reflected in the form of Multitasking, Independence and Close to technology, while Ambition indicators have low values, meaning that millennial UMKM respondents in Banjarmasin City are has an ambitious character in running his entrepreneurship. Even when they are successful they will happily share that success with others.

Whereas the entrepreneurial behavior of the Millennial Generation MSMEs in the city of Banjarmasin has only strong enough / good enough values that are reflected in two dimensions / indicators, namely: trying to start a business, and being involved in every step towards venture creation.

Hypothesis testing shows that the Characteristics of Millennial Generation have a significant effect on Entrepreneurship Behavior.

5.2. Recommendations

Based on the data illustrate shows that entrepreneurial behavior is reflected in the form of starting a new business today alone and trying to start a new business today with others, spending a lot of time starting a business / business, analyzing the market opportunities that are determined in running a business / business and money stored is used to invest in business / business. the majority of millennial SME entrepreneurs in Banjarmasin city mostly have less interest in trying to do business activities and less have been involved in any steps to create businesses in the past and present. Coaching should be done both through educational institutions and in forms of training so that their interest grows bigger for entrepreneurship.

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