

IMPROVING THE COUNTRY'S ECONOMY THROUGH ENTREPRENEURIAL INTENTIONS OF MILLENNIALS IN TIMOR-LESTE

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ABSTRACT

This research aims to improve the country's economy through the entrepreneurial intentions of the millennial generation in Timor-Leste. This research was conducted to help millennials in Timor-Leste generate entrepreneurial intentions to improve the country's economy through self-employment. The research method used in this article examines the factors that influence entrepreneurial intentions, such as Attitude, Subjective Norm, and Perceived Behavioral Control, to improve the country's economy. The research results imply that the more the millennial generation understands entrepreneurial intentions through the Theory of Planned Behavior, the more it will be able to reduce unemployment. It can improve the country's economy by becoming an entrepreneur. Therefore, the millennial generation is expected to understand the Theory of Planned Behavior in generating entrepreneurial intentions to improve the economy in Timor-Leste.

Keywords: **Theory of Planned Behavior, Intentions, and Entrepreneurial Intentions**

INTRODUCTION

When a country experiences economic growth, the lives of its people naturally evolve along with the fulfillment of family needs. Dealing with the dynamics of the current economic landscape entrepreneur requires active contributions to the country. Hence, research on entrepreneurial intentions has grown, incorporating a wide array of variables to estimate these intentions. Simultaneously, the approaches used to investigate entrepreneurship have undergone a transformation over time according to Cruz (2015). According to Darajat and Sumiati (2013), Entrepreneurship stands as the spearhead for achieving various societal goals, including reducing unemployment, ensuring economic stability, expanding job prospects, fostering technological advancement, and promoting economic growth.

Timor-Leste government's move to develop entrepreneurship and increase the number of entrepreneurs is considered a step in the right direction, given the alarming fact that Timor-Leste has a high unemployment number. The latest data released by the National Statistics Agency at the Ministry of Finance and attended by representatives of

the International Labor Organization (ILO) on January 26, 2023, stated that the total number of employees in 2021 reached 234.400.000 people, and the unemployment number of the community was 12.300.000 people with a percentage of 5.1%.

Table 1-1 The Unemployment number of population age 15 and over by Highest Education graduated in Timor-Leste.

No.	Highest Education	Number of Unemployment on December 2021
1.	Basic Education	288.504
2.	General Secondary	63.558
3.	Technical Secondary	14.109
4.	College (Diploma and Bachelor)	45.987
	TOTAL	412.158

Source: *inetl-ip.gove.tl*

Based on the Tabel 1-1 above, it can be seen that the unemployment number for university graduates is still quite high at 45,987 people or with a percentage of 8,9%. Every year there are always college graduates who should be able to improve the quality of human resources in Timor Leste. However, in reality, university graduates are mostly directed to the formal sector, so when job opportunities in the formal sector do not develop, people do not try to create jobs. In addition, the size of the labor force has not been matched by the ability of the labor market to absorb these workers, and the prolonged economic crisis has complicated matters.

This has resulted in increased unemployment and low economic growth in Timor-Leste. So to overcome the unemployment problem, becoming an entrepreneur is the right choice. Seeing this problem, as agents of change, millennials must certainly be able to become drivers or aggregators in entrepreneurship. Changes in the world of business and technology will be faster, more complicated and unpredictable, where a degree does not guarantee competition, graduation does not guarantee career and work readiness. So that after graduate from college they are no longer job seekers, but can create jobs. Entrepreneurship is one of the courses taught in higher education that provides skills and independence to millennials. Entrepreneurial knowledge supports entrepreneurial values, especially for millennials who have been equipped with good entrepreneurship education, both in terms of intelligence, skills, and mentality, thus making millennials a productive driver of development so that they are expected to be able to create reliable entrepreneurs,

as the hope of the community to be able to create jobs by fostering interest in entrepreneurship. An entrepreneur or self-employed person is a person who creates a business or business entity that is expected to contain risks and uncertainties to obtain profits and develop the business by opening opportunities and developing the business by opening opportunities. Entrepreneurs must be able to combine resources, raw materials, labor, and other assets to create more value. Entrepreneurs are also people who are able to introduce innovation, change, and conquer new challenges.

In carrying out business activities, a person needs to have interest, motivation and enthusiasm so that these business activities can run efficiently and purposefully. According to Hurlock (1999:144) explains that interest is a source of motivation that encourages a person to do what he wants to do if he has the freedom to choose. When a person evaluates something as useful, interest develops, which leads to satisfaction. When satisfaction decreases, interest also decreases, so that interest is not permanent but temporary or subject to change. Interest in becoming an entrepreneur is defined as a person's desire to work independently (self-employed) or run their own business. According to Adnyana and Purnami (2016) entrepreneurial interest is unlikely to develop without education and training that fosters an entrepreneurial spirit. Sometimes, low education also affects the courage of prospective entrepreneurs who want to start a business to take risks and this will hinder the development of self-actualization.

According to Ajzen and Sharma in Nuary (2010) Theory of Planned Behavior is a theory that predicts behavioral considerations because behavior can be considered and planned. Then this theory was further developed by several researchers. According to Grizzell (2010) Theory of Planned Behavior is a refined Theory of Reasoned Action with the addition of Perceived Behavioral Control.

The main concept of the Theory of Planned Behavior is that individuals are inclined to participate in a behavior, signified by their intention, when they hold a favorable attitude towards the behavior, sense social pressure to enact it (subjective norm), and perceive control over the behavior (perceived behavioral control). The three main components of the Theory of Planned Behavior are:

1. Attitude: this refers to an individual's positive or negative evaluation of performing a particular behavior. It includes beliefs about the outcome of the behavior and the perceived value of the outcome.
2. Subjective Norm: this reflects the perceived social pressure or social norms related to the behavior. It takes into account the individual's perception of what others think about what they should do and the importance of complying with perceived

norms.

3. Perceived Behavioral Control: this relates to individuals perceptions of their ability to perform the behavior. It considers factors such as resources, skills, and opportunities that can be utilized.

From the explanation of the theory, it can be explained that the performance of a behavior begins with the Attitude, Subjective norm and Perceived Behavioral Control felt by the person. This can be interpreted that the Attitude, Subjective Norm and Perceived Behavioral Control must be in accordance with the behavior that must be predicted. To do business, of course, as millennials , you must be able to see business opportunities that are suitable today. Businesses carried out by millennials in Timor-Leste are culinary, handicrafts, clothing imports etc. And the most popular business is culinary. Culinary is one of the businesses that has great opportunities and promising results for business people. Culinary business is one of the businesses engaged in the field of food both in terms of making, serving and selling.

The previous research conducted by Cruz, Suprapti and Yasa (2015) which aims to explain the effect of Theory of Planned Behavior applications in generating entrepreneurial intentions. Another research conducted by Ma'sumah and Pujiati (2018) which aims to analyze the effect of Attitude, Subjective Norm and Perceived Behavioral Control on the entrepreneurial intentions of class XII students at SMK Negeri 2 Wonosobo both simultaneously and partially. Both of these studies and various studies with the same topic, namely analyzing Theory of Planned Behavior that affects student entrepreneurial intentions. Therefore, this study was conducted to test Attitude, Subjective Norm and Perceived Behavioral Control affect the entrepreneurial intentions of millennials in Timor-Leste.

METHODS

The research method used in this article is to examine the article regarding to the factors that influencing entrepreneurial intentions such as Attitude, Subjective Norm, and Perceived Behavioral Control to improve country's economy.

RESULTS AND DISCUSSION

The results of this study indicate that Attitude, Subjective Norms and Behavioral Control are influential factors in increasing the entrepreneurial intention of the millennial generation to become entrepreneurs. Becoming an entrepreneur can reduce unemployment and improve the economy in Timor-Leste.

Entrepreneurship

Entrepreneurship is an attitude or ability to create business opportunities by gathering the resources needed to achieve success. According to Robbins and Coulter (2018), Entrepreneurship is defined as a process that must be passed by an individual or group that uses a business or business as well as structured and organized media or means to pursue market opportunities in creating a value that can meet their needs through new products or services.

According to Zimmerer (2008) Entrepreneurship is the application of creativity and innovation to solve problems and efforts to take advantage of opportunities that people face every day. An entrepreneur has goals in entrepreneurship, such as: (1) Can increase the number of quality entrepreneurs. (2) Public awareness or providing strong and solid entrepreneurial awareness to the community. (3) Participate in realizing entrepreneurial abilities to improve welfare, as well as produce progress and prosperity for society and the country. (4) Helping the country in increasing economic growth.

To start a business venture, make sure you meet the criteria that define an entrepreneur. Meeting the characteristics of entrepreneurship is essential, and these include: (1) Cultivating a positive mindset, especially when making business decisions. Recognizing the possibility of failure in the early stages of entrepreneurship, maintaining a positive outlook will turn anxiety into optimism for the success of the venture. (2) Accepting risk is inherent in entrepreneurship; every choice involves a potential accident, loss or failure. A true entrepreneur is characterized by a willingness to take risks. (3) Having leadership qualities is essential for entrepreneurs. In the face of challenges, effective leadership is essential to address and solve problems without burdening others. (4) Demonstrating enthusiasm and strong determination is another key aspect of entrepreneurship. In addition to risk-taking, one qualifies as an entrepreneur if they demonstrate an unwavering entrepreneurial spirit and a strong determination to realize a successful business. (5) Self-control in financial matters is essential. Entrepreneurs should show self-control and avoid overspending, ensuring that their consumption or expenditure remains below their income. (6) Being future-oriented requires a strong knowledge base and a broad perspective to come up with ideas.

Intention

Intention according to Fishbein & Ajzen (1975) is a component within an individual which refers to the desire to carry out certain behavior. Intention is defined as an individual's subjective probability dimension in the relationship between self and

behavior. Based on the explanation above, it can be stated that intention is the seriousness of a person's intention to carry out an action or produce a certain behavior.

Hurlock in Riyanti (2003) explains that interest is a source of motivation that encourages someone to do what they want to do if someone is free to choose. When someone assesses that something will be useful, interest will form which will then bring satisfaction. When satisfaction decreases, interest will also decrease so that interest is not permanent, but temporary or can change.

Entrepreneurial Intention

Entrepreneurial intention can be interpreted as the first step in the process of establishing a business which is generally long-term by Lee & Wong (2004). According to Krueger (1993), Entrepreneurial intention reflects a person's commitment to starting a new business and is a central issue that needs to be considered in understanding the entrepreneurial process of establishing a new business.

Theory of Planned Behavior

This theory has a foundation in the perspective of beliefs that can influence a person to carry out specific behavior. The trust perspective is implemented through combining various characteristics, qualities and attributes of certain information which then form the will to behave by Yuliana (2004). Intention is a decision to behave in a desired way or a stimulus to carry out an action, whether consciously or not by Corsini (2002). This intention is the beginning of the formation of a person's behavior. The theory of planned behavior is suitable for describing any behavior that requires planning by Ajzen (1991). The theory of planned behavior is a development of the previous theory, namely the theory of reasoned action, put forward by Ajzen and Fisbein (1975). In the theory of reasoned action, this theory is a theory used to predict a person's behavior. The theory of reasoned action has two main predictions in assessing a person's intention to behave, namely attitude toward the behavior and subjective norms.

The theory of reasoned action was then expanded and modified again by Ajzen to become the Theory of planned behavior. According to Ajzen's analysis, the theory of reasoned action (TRA) can only be used for behavior that is completely under the individual's control, and is not suitable if used to explain behavior that is not completely under the individual's control because of other factors that might hinder or support it. achieving an individual's intention to behave. And several years later Ajzen (1988) in the Theory of planned behavior (TPB) added one antecedent factor, namely perceived

behavioral control. Theory of Planned Behavior explains that a person's behavior will arise because of the intention to behave. The theory of planned behavior is specific to a person's specific behavior and to all behavior in general. A person's intention to behave can be predicted by three things, namely attitude towards the behavior, subjective norms and perceived behavioral control. Attitude toward the behavior is a person's overall evaluation regarding whether it is positive or negative to display a certain behavior. Subjective norms are a person's beliefs regarding demands from other people that are considered important for him or her to be willing to display or not display a certain behavior in accordance with the demands. Perceived behavioral control is a person's perception of his ability to display a certain behavior.

1. Attitude

Attitude towards behavior is a tendency to respond to things that are liked or disliked about an object, person, institution or event by Ajzen, (1991). Attitude towards behavior is considered the first variable that influences behavioral intention. When an individual appreciates the positiveness of an action, then he has the will to carry out a certain action. Views about a behavior are influenced by beliefs (behavioral belief) as a result of the behavior carried out. Individual beliefs include the strength of beliefs and evaluation of outcomes. Views on behavior are believed to have a direct impact on the willingness to behave which is then affiliated with perceived behavioral control and subjective norms by Ajzen (1991).

2. Subjective Norm

The influence of the people around you which is used as a reference is also called subjective Norm, this refers more to an individual's perception regarding whether or not a particular individual or group agrees with their behavior, as well as the motivation it gives to the individual to behave in a certain way.

According to Andika & Madjid (2012), subjective norm is an individual's belief in following the directions or suggestions of people around them to participate in entrepreneurial activities. According to Ajzen & Fishbein (2005), subjective norms have two components, namely as follows: (1) Normative beliefs (Normal Beliefs) Perceptions (beliefs) about other people's expectations of themselves which become a reference in displaying behavior. (2) Motivation to fulfill (motivation to fulfill) Individual motivation to fulfill their expectations. Subjective norms can be seen as the dynamics between the encouragement that

individuals feel from the people around them and the motivation to follow their views in carrying out or not carrying out a behavior.

3. Perceived Behavioral Control

According to Wingdes (2018), perceived behavioral control is a person's perceived ability to perform a particular action, whether the action is considered easy or difficult by that person. Perceptions of control can change depending on the situation and the type of behavior to performed. A person's behavior is not only controlled by himself but also requires control, such as the availability of certain resources as well as opportunities and skills, where an individual believes that lacks resources or does not have the opportunity to demonstrate a behavior (low behavioral control) the individual will not have a strong intention or lack the confidence to demonstrate this behavior. According to Chrismardani (2016) in his research, there are three indicators of behavioral control, namely: (1) Entrepreneurial ability, (2) Self-confidence, (3) Mental maturity.

CONCLUSION

Based on the results of the research, concluded that Theory of Planned Behavior have positive influence on entrepreneurial intention of the millennial generation to become an entrepreneur, which will be able to help and improve the economy of Timor-Leste.

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