

Effect Of Ability And Creativity On Student Business Success

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Abstract: Increasing the competence, knowledge, and skills of students in higher education units needs to be improved in the face of the times. Entrepreneurship is one of the concrete solutions in overcoming the increasingly tight work world problems. This study aims to determine the effect of ability and creativity on business success. The research sample is 85 students of the Economic Education Department Faculty of Education in STKIP PGRI Nganjuk. Data collection techniques used library research and field studies (filed research) in the form of observation, interviews, and questionnaires. Research used descriptive analysis methods. Research statistic test used multiple linear regression analysis. The results showed that (1) there was an influence of ability on business success, (2) there was influence of creativity on business success, (3) entrepreneurial ability and creativity simultaneously affected business success with a percentage of 44.6%. Improvement of student abilities is carried out such as the application of innovative and product-based learning models, through student activity units such as Student Cooperatives, student internships in industry, and entrepreneurial competitions. Through these programs, significantly it was able to provide enthusiasm and experience for students in managing their business. The findings obtained are that students must be continuously trained to run a business. This long-term experience, knowledge and partners will be able to contribute to the business they have.

Keywords: Ability, Creativity, Business Success, Entrepreneurship

1. INTRODUCTION

Higher education awareness of the importance of developing an entrepreneurial spirit has begun to grow and develop. This can be seen from various programs implemented in developing business skills. Higher education is the frontline in creating quality Human Resources (HR). The goal is that this HR can work according to the desired standard. In the business world, the quality of human resources is needed to support success. A large quantity of labour does not guarantee that a business can run well if the quality of human resources is still low. Based on this, universities must be able to educate students who have high skills and good knowledge. Of course, this is in accordance with the government work program that entrepreneurship improvement programs must continue to be developed every year. However, the result of observation shows that the entrepreneurial abilities and creativity of students at STKIP PGRI Nganjuk still need to be improved. Based on the tracer study data in 2019, the following are the jobs occupied by STKIP PGRI Nganjuk students.

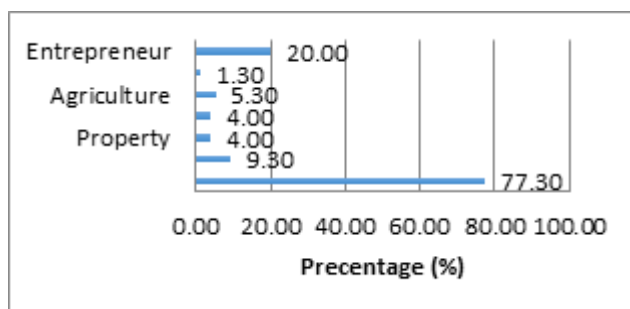


Figure 1. Data of Profession from Alumnus of STKIP PGRI in 2019

The data shows, 73.30% of students work in education, banking at 9.30%, property at 4.00%, entertainment at 4.00%, agriculture at 5.30%, livestock at 1.30%, and

entrepreneur by 20.00%. If being analyzed based on this data, only 20% of alumni become entrepreneurs. This is inseparable from the various obstacles possessed by alumni such as lack of ideas, product innovation, resources, management, marketing, production, capital, packaging, and licensing. From these problems, it can be concluded that there are 2 problems faced, namely lack of knowledge about the basics of entrepreneurship and lack of creativity. In the business and entrepreneurship literature, it is stated that lack of knowledge results in entrepreneurs being unable to achieve their goals [3]. Entrepreneurial skills are needed in supporting business success. Entrepreneurial skills starts from the stage of implementation, production, marketing, and good evaluation must be driven by good knowledge. Entrepreneurial ability is the ability to behave, think, and act consistently in starting a business and managing a business that is indicated by the courage to take risks, initiative and proactivity, achievement-oriented, and commitment to various parties [4]. Ability can also be interpreted as a strong mental attitude by an entrepreneur to get through any existing problems [5]. Besides ability, creativity is also needed in running a business. Creativity is the ability to develop ideas and new ways to solve problems and find opportunities (thinking new thinking). The role of creativity in entrepreneurship is the existence of a strong ability to create (co create or to innovate) in creating something new. The creative thinking of an entrepreneur does not follow a pattern that has become a habit and is commonly practiced by others. This ability is possessed as a form of developing new ideas, finding new ways of solving problems, and facing opportunities. So creativity is an important skill for achieving success [6] [7].

2. METHOD

The study was conducted at STKIP PGRI Nganjuk in September 2019. The research design used a quantitative approach. The research sample consisted of 85 students from Economic Education Department Faculty of Education

STKIP PGRI Nganjuk. The independent variables in this study are entrepreneurial ability (X1) and creativity (X2). While the dependent variable is entrepreneurial success (Y), Entrepreneurial ability (X1) was analyzed based on 4 assessment indicators, namely initiative and proactivity, risk taking, achievement-oriented, and commitment. Creativity (X2) is analyzed based on 4 indicators namely curiosity, optimism, solution to the problem, and imaginative. Entrepreneurial success (Y) is analyzed based on 3 assessment indicators namely ability level, hard work, and opportunity. Data collection techniques used library research and field study (filed research) used observation, interviews, and questionnaires. Research used descriptive analysis methods. Research statistic test used multiple linear regression analysis. This test is used to determine the relationship between the independent variables and the dependent variable. The basis for decision making is by looking at the significance value (Sig.). If the Significance value (Sig.) <Probability 0.05 then there is the influence of the independent variable (X) on the dependent variable (Y) (hypothesis accepted). The research hypothesis is as follows:

- First Hypothesis (H1): there is an influence of entrepreneurial ability on the success of student business
- Second Hypothesis (H2: there is an influence of creativity on the success of student business)

3. RESULT

Table 1. Partial t test results

Coefficients^a

Model	Unstandardized Coefficients		Standardized Coefficients	t	Sig.
	B	Std. Error	Beta		
(Constant)	37,516	5786		6,484	.000
1 Entrepreneurial Ability (X1)	.327	.069	.399	4,745	.000
Creativity (X2)	267	.499	.458	5,441	.000

a. Dependent Variable: Success (Y)

Based on Table 1, the significance value (Sig.) of the entrepreneurship ability variable (X1) is known to be 0,000 and is stated to be less than a probability of 0.05. Then it can be concluded that H1 was accepted. This means that there is an influence of entrepreneurial ability on the success of student business. Entrepreneurial ability also has a positive effect on business performance in various fields [8]. However, entrepreneurial skills must always be taught and enhanced. Education is an important factor in influencing insight into thinking, communication skills, ability to overcome problems, and the ability to create business opportunities [9]. The level of education, experience gained during class and experience gained from work, motivation, and ages have a positive effect on entrepreneurial ability [10]. In the concept of entrepreneurship learning in the class, there are 3 important things that can affect the will of entrepreneurs, namely (1) students must be interested and motivated to want to become entrepreneurs, (2) students must be able to see the opportunities or profitable business opportunities, (3) students must have the knowledge and skills to support entrepreneurship. So that entrepreneurial ability is one of the basics that everyone must have in starting an entrepreneur. The phenomenon that occurs at this time, many graduates lack the ability specifically related to entrepreneurship. This certainly affects the increase in

unemployment. Therefore, it is the need for good learning concepts in improving entrepreneurial skills. Many events can be carried out such as the application of innovative learning models, through student activity units such as Student Cooperatives, industrial internship activities, and entrepreneurial competitions. In enhancing entrepreneurship, it is important to emphasize the aspects of science, skills and quality of individuals which include attitudes, values and behaviours needed to carry out work or activities as a whole [4]. In improving students' ability through entrepreneurship which is focused on 2 things, namely the application of more innovative and product-based learning models such as project-based learning models [11].

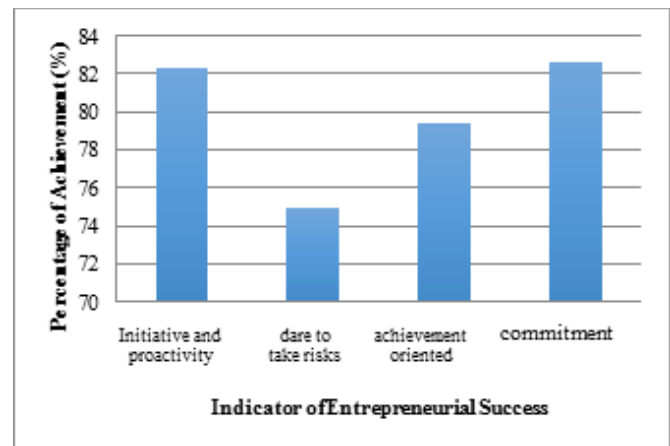


Figure 2. Percentage of Student Entrepreneurial Ability Achievement

Based on Picture 2, the achievement of entrepreneurial ability is measured based on 4 indicators that have been tested to students including initiative and proactivity, dare to take risks, achievement-oriented, and commitment [12]. The analysis showed that the achievement of the initiative and proactive indicators was 82.35% (very good category), the risk taking indicator was 75.00% (very good category), achievement-oriented indicators were 79.41% (very good category), and commitment indicators of 82.65% (very good category). These results indicate that the average achievement of entrepreneurship skills of STKIP PGRI students is very good. But in the aspect of risk taking, it shows the lowest average. This is due to various things, for example, students are not accustomed to implementing business in real terms, are still focused on studying on campus, and do not have enough capital. Following up on this problem, lecturers provide education through entrepreneurship training and workshops. This is intended to strengthen the mentality of student business. It is necessary to identify the business abilities of students, for those who have good abilities need to be improved, and those who have less ability need to be improved. Business incubation programs that aim to improve skills need to be improved. These results indicate that the average achievement of entrepreneurship skills from STKIP PGRI Nganjuk students is very good. But in the aspect of risk taking, it shows the lowest average. This is due to various things, for example, students are not accustomed to implementing business in real terms, still focused on studying on campus, and do not have enough capital. Following up on this problem, lecturers provide education through entrepreneurship training and workshops. This is intended to

strengthen the mentality of student business. It is necessary to identify the business abilities of students, for those who have good abilities need to be improved, and those who have less ability need to be improved. Business incubation programs that aim to improve skills need to be improved [13]. Initiative and proactive indicators are measured based on the level of speed in decision making and entrepreneurial spirit. Indicators of risk taking are measured based on the level of courage of taking chances and the level of analysis of calculations. Performance-oriented indicators are measured based on the level of product quality provision and the level of service to customers. Commitment indicators are measured based on the level of responsibility for obligations with partners and the level of maintaining relationships. Dare to take risks, initiative and commitment are the characteristics of successful entrepreneurs. The need for modification of the learning process that is more focused on improving skills [14]. It is the need for higher targets, flexibility and creativity in building business concepts [15]. Furthermore, the value of Significance (Sig.) for the creativity variable (X2) is 0,000 and is stated to be less than the probability of 0.05. Then it can be concluded that H2 is accepted. This means that there is an influence of creativity on the success of student business. Creativity is the basis of knowledge possessed by someone to produce something new so that eventually they can create ideas and opportunities [16]. Successful entrepreneurs need excellence that comes from creativity in creating products, creating opportunities, and creating innovation [17]. Associated with student creativity in entrepreneurship, the process of creating business ideas is an important factor. The stimulus is given by giving an overview of the updated business opportunity, bringing in experts to provide workshops, and providing a forum for developing business. In product manufacturing, the observed process starts from product creativity, product model and design, packaging design, and includes the types of promotions used both offline and online and target marketing. The success of a business is influenced by the ability of the owner to do creativity and innovation on the products produced [18].

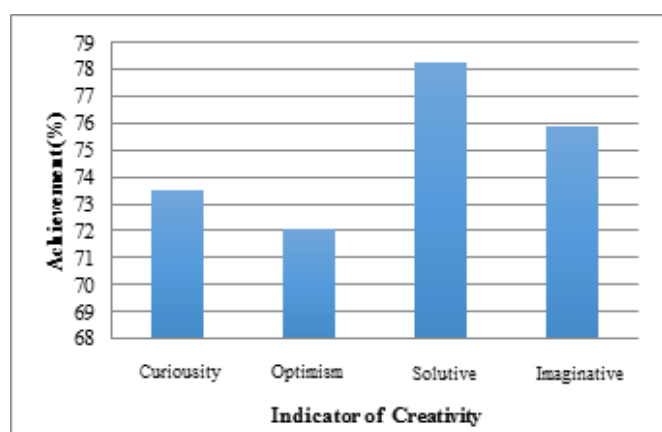


Figure 3. Percentage of Student Creativity Achievements

Based on Picture 3, the achievement of creativity is measured based on 4 indicators including curiosity, optimism, solutive to the problem, and imaginative. The analysis showed that the achievement of the curiosity indicator was 73.53% (good category), the optimistic indicator was 72.06% (good category), the solutive indicator of the problem was 78.24% (good category), and the

imaginative indicator was 75.88% (good category). The data shows that the creativity of students in determining the success of businesses owned in either category. However, the optimistic indicator data has a lower percentage than the other indicators. This is caused by students not yet accustomed to owning and starting a business, students are not yet sure that their businesses will succeed, and students are still profit oriented. The action given is to provide evaluation and motivation at the end of the learning. Students present their business and then other students and lecturers give advice and input. It is the need for entrepreneurial learning early to train students to develop entrepreneurship. Entrepreneurial interest must be built from the perspective of students, providing stimulus to increase creativity, curiosity, and initiative [19]. Product-based entrepreneurship programs are worth trying. Indicators of curiosity are measured based on the level of curiosity about market conditions, marketing methods, and product trends. The marketing methods applied by students are very varied ranging from offline and online marketing. Student offline marketing applies promotions at certain events such as bazaars, promotions at Car Free Day events, and distributes business cards to consumers. Online marketing is done through social media such as Whatsapp, Facebook, Instagram, and tweeters, via YouTube, and websites. Data shows that 95% of students prefer social media promotion media. In addition to being very cost-effective, it can also reach all circles and vast market areas. Optimistic indicators are measured based on the level of confidence in running a business and the confidence in the product they have. Solutive indicators of problems are measured based on the speed of problem analysis and the ability to find solutions. Imaginative indicators are measured based on the level of product, market, and service innovation. The aspect of creativity is a topic that is relevant for the business world. Creativity is an important source in creating competitiveness, growth, and change. Significantly, creative behaviour influences entrepreneurial success [20].

Table 2. Multiple Correlation Analysis

Summary Model

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.688a	.446	.432	2.88711

a. Predictors: (Constant), Creativity (X2), Ability (X1)

Based on Table 2, it is known the coefficient of determination or R Square of 0.446 or equal to 44.6%. This figure means that the variable X1 (entrepreneurial ability) and the variable X2 (creativity) simultaneously influence the business success variable (Y) by 44.6%. While the remaining 55.4% is influenced by other variables not examined. If viewed from these percentages, other variables are greater in influencing entrepreneurial success. Factors are such as interests and talents, motivation, and environment. In terms of the environment, students are still not able to run a business. There are still many campus assignments that make students unable to divide their time properly between college and entrepreneurship. In addition, the lack of stability of student motivation also affects the success of their business. However, the first step in implementing entrepreneurship learning courses at STKIP PGRI Nganjuk is focused on the ability or knowledge of business and creativity. Significantly proven ability and creativity can increase business success.

Creativity significantly has a positive effect on business success [21].

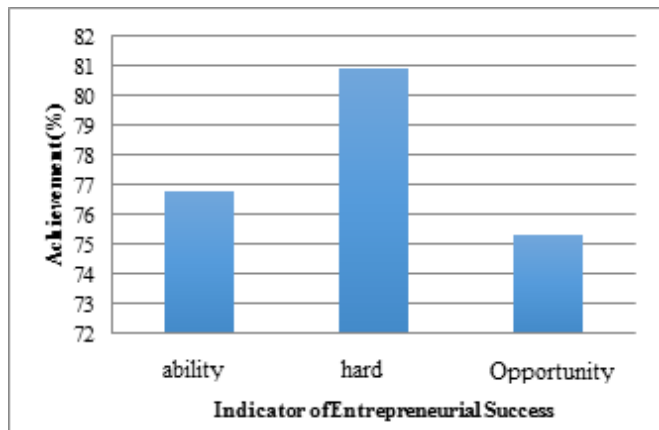


Figure 4. Percentage Achievement of Students' Entrepreneurship

Based on Picture 4, the achievement of success is measured based on 3 indicators of level of ability, hard work, and opportunity. The results of the analysis showed that the achievement of the ability indicator was 73.76% (good category), the indicator of hard work was 80.88% (very good category), and the indicator of opportunity taking rate was 75.29% (very good category). Capability level indicators are measured based on the level of expertise, willingness, and utilization of the situation. Indicators of hard work are measured based on the level of hard work, confidence, and existence. Indicator of opportunity taking level is measured based on the level of orientation, risk taking, and planning.

The data shows that the average student entrepreneurial success in the category is very good. In terms of ability, many students have implemented various business fields ranging from food, beverage, service, animal husbandry, agriculture, buying and selling online, and others. Based on existing data, buying and selling online is more popular with students. In addition to being easy, marketing costs are cheaper, broad reach of the consumers and capital does not need much because students can use dropship method. Dropship is a marketing method where the seller does not need to stock the goods and if the seller gets an order he can directly forward the order to the distributor [22]. Judging from the aspects of hard work and taking advantage of opportunities, students showed positive results. Giving college assignments in the form of business projects indirectly, able to provide motivation for students to start a business. In developing and stimulating entrepreneurial competence, interesting initiatives, responsibilities and ideas are needed [23].

4. CONCLUSION

Based on the research conducted, the results obtained indicate that there is a significant effect between ability on entrepreneurial success as evidenced by the Significance value (Sig.) for the entrepreneurial ability variable (X1) of 0,000 and expressed as less than a probability of 0.05 (H1 accepted). The creativity variable also shows that there is a significant influence on business success as evidenced by the Significance value (Sig.) for the creativity variable (X2) of 0,000 and is stated to be less than the probability of 0.05 (H2 accepted). Furthermore, based on the value of R Square shows the variable X1 (entrepreneurial ability) and variable

X2 (creativity). Limitations of this study only discuss the factors that influence business success in terms of ability and creativity. There are still many other factors that influence entrepreneurial success in terms of internal and external aspects such as motivation, leadership, ability to take risks, even environmental aspects. In creating successful entrepreneurs, many strategies need to be applied so that students are able to develop abilities.

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