
**CAN PERSONAL VALUES AND ATTITUDE PREDICT INTENTION TO QUIT
OF YOUNG ENTREPRENEUR:
A RESEARCH PROPOSAL**

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ABSTRACT

Entrepreneurs and especially young entrepreneurs are significant parts of society that can contribute in nation economic development. There is a great deal of research interest in understanding students' intention to be entrepreneurs. Specifically, extensive research on entrepreneurship have been conducted to explore and predict various factors that influence youth intention to become an entrepreneur. On the other hand, less attention has been given to understand youth intention to quit as entrepreneur, especially in Indonesian youth context. Youth entrepreneur may have intention to quit as entrepreneurs because of their lack experience, skill, and mentally not stable. Understanding this phenomena may contribute not only in entrepreneurship literature but also support Indonesian government, academicians, and entrepreneurs themselves in understanding and creating ways to make young entrepreneurs sustain in entrepreneurship. Thus, this research aims to predict the relationship between personal values and intention to quit as entrepreneur with attitude toward entrepreneurship as a mediating variable in the context of young entrepreneur in Indonesia. Three main research questions have been raised in this study: (1) is there a positive relationship between terminal values and attitude toward entrepreneurship?, (2) is there a positive relationship between instrumental values and attitude toward entrepreneurship?, and (3) is there a negative relationship between attitude toward entrepreneurship and intention to quit as entrepreneur? Research method will be designed and discussed to address research questions.

Keywords: terminal values, instrumental values, attitude, intention to quit, entrepreneur

INTRODUCTION

Entrepreneurship and the entrepreneur are topics of interest to many young people. Studies show that the main attraction for young people to become entrepreneurs is the ability of entrepreneurship in creating jobs, unlimited income, and others. Many studies have been conducted in predicting and understanding the intentions of youth to become an entrepreneur (e.g. Ozaralli & Rivenburg 2016; Dogan, 2015; Kuttim, Kallaste, Venesaar, & Kiis, 2014; Peng, Lu, & Kang, 2012; Turker & Selcuk, 2008). However, young people have characteristics that may hamper them in sustaining entrepreneurship. For example, lack of experience, skills, and be mentally unstable may become a significant factor left entrepreneurship and find a stable job such as working for a company that is established and working events for other employers.

Intention to leave is a reality fact in organizations, companies, and even in terms of entrepreneurship area. Research have been conducted in understanding intention to leave in the context of organization and companies (e.g. De Hoer, Giacomini, & Janssen, 2016; Saungweme & Gwandure, 2011). Research in entrepreneurship also shows that intention to leave is one important topic (e.g. Zhu, Burmeister-Lamp, & Hsu, 2014; Forster-Holt, 2013; DeTienne & Cardon, 2012; DeTienne, 2010) but it is rarely studied (DeTienne & Wennberg, 2016; DeTienne, 2010). Moreover, as far as the researcher understanding, there is no research conducted in predicting of young entrepreneur especially in the context of Indonesia. As one one developing countries, Indonesia needs

more entrepreneurs in contributing the economic development of a nation. Thus, this research aims to predict the relationship between personal values and intention to quit as entrepreneur with attitude toward entrepreneurship as a mediating variable. Personal values will be represented by terminal and instrumental values as proposed by Rokeach (1973). Three research questions have been raised in this study:

1. Is there a positive relationship between terminal values and attitude toward entrepreneurship?
2. Is there a positive relationship between instrumental values and attitude toward entrepreneurship?
3. Is there a negative relationship between attitude toward entrepreneurship and intention to quit as entrepreneur?

Justifications of the research

There are two main reasons of the importance of this study. Firstly, the importance of predicting youth entrepreneur intention to quit since entrepreneurial exit has impact not only the entrepreneur, but also to the society, the industry, and the economy of the nation. Moreover, in the review of literature, entrepreneurial exit has obtained less attention compare to entrepreneurial intention or behavior. On the other hand, understanding entrepreneurial process is not only about new venture creation but also entrepreneurial exit that concludes the process (DeTianne, 2010).

Secondly, this research will apply terminal and instrumental values as representation of personal values. Entrepreneurship research show that one important variable that influence entrepreneurs' behavior is their personal values (e.g. Malovics *et al.*, 2015; Rohani *et al.*, 2015; Nguyen & Nguyen, 2008; Halis, Ozsabunoglu, & Ozsagir, 2007; Hemingway, 2005; Lindsay, Jordan, & Lindsay, 2005). Nonetheless, those studies applied personal values in general. Rokeach (1973) suggested that personal values can be divided into 2 types: instrumental values and terminal values. Terminal values refer to a condition that is ideal or desired end goals. On the other hand, instrumental value is an ideal way of behaving in order to achieve terminal values. Those instrumental and terminal values represent two separate, yet functionally connected systems (Rokeach, 1973). Thus, both types of these values affect people behavior in their daily life. However, few researches have been conducted to understand instrumental and terminal values of entrepreneurs (e.g. Jakubczak, 2016; Uy, 2011). Furthermore, as far as the researcher knowledge, there is no study that focus on applying these two types of personal values in predicting youth intention to quit as an entrepreneur in Indonesian context.

LITERATURE REVIEW

Entrepreneurial Intention

Intention is a tendency to behave in the future (Blackwell, Miniard, & Engel, 2006). It represents the amount of effort of people willing to do something (Ajzen, 1988). Thus, intention is also a main significant variable in explaining people behavior. In entrepreneurship research, entrepreneurial intention is one dependent variable that has received great attention by many scholars (e.g. Levie, Hart, & Karim, 2016; Engle *et al.*, 2010; Linan & Chen, 2006; Krueger, Reilly, & Carsrud, 2000). Moreover, many researchers also focus in understanding youth entrepreneurial

intention (e.g. Ozaralli & Rivenburg, 2016; Dogan, 2015; Kuttim et al., 2014; Peng et al., 2012; Turker & Selcuk, 2008). Youth entrepreneurial intention is important since youth are potential driver of economic development of a nation.

Intention to quit entrepreneurship is something that may happen to all employers. Start-up entrepreneurs or businessmen with long experience, or young or old entrepreneur may face the possibility of quitting from entrepreneurship. There are several factors of entrepreneurial exit such as family matter (e.g. DeTienne & Wennberg, 2014), personal characteristics (e.g. Justo & DeTienne, 2008; Stam, Thurik, & van der Zwan, 2008), institutional environment (e.g. Stam et al., 2008), and others.

People intention, as for example intention to quit, can be influenced by many factor. Attitude theories such as the theory of planned behavior (Ajzen, 1988) and the theory of trying (Bagozzi & Warshaw,1990) shows that two main antecedent variables of people intention are attitude and subjective norm. This research applied the value-attitude-behavior hierarchy that was developed by Homer and Kahle (1988). In other words, this hierarchy shows that personal values influence people behavior indirectly through attitude.

Attitude

An attitude refers to the people overall evaluative judgment toward something (Blackwell et al., 2006). Attitudes can be divided into two main types in people behavior perspectives (Blackwell et al., 2006). The first type is attitude toward the object (A_o). A_o represents a consumers' evaluation toward objects such as products, brands, or services. The second type is attitude toward the behavior (A_b). It represents an evaluation of performing a particular behavior such as buying or doing something. As A_b focus on performing behavior, then it can be stated that A_b is related strongly to behavioral intention (Blackwell et al., 2006). Thus, this research applied the concept of A_b in predicting people intention.

Values

One significant variable in explaining people attitude is her/his personal values. Value refers to a desirable trans-situational goal which varying in importance and its serves as a guiding people principle in life (Schwartz, 1992). Specifically it is an integral part of human life (Klamer, 2003; Burgess & Steenkamp, 1998) and it represents what are important to our lives (Bardi & Schwartz, 2003).

One measurement of people values is the Rokeach Value Survey (RVS, Rokeach, 1973). The Rokeach Value Survey (RVS) consists of two-part values inventory: terminal values and instrumental values. Terminal values refer to end-goals and desirable states of existence, whereas instrumental value is defined as the means to achieve end-goals. Table 1 shows list of instrumental and terminal values.

Table 1. Terminal and instrumental values

Terminal values	Instrumental values
A world at Peace (free of war and conflict)	Ambitious (Hard-working, aspiring)
Family Security (taking care of loved ones)	Broadminded (Open-minded)
Freedom (independence, free choice)	Capable (Competent, effective)
	Cheerful (Lighthearted, joyful)

Equality (brotherhood, equal opportunity for all) Self-respect (self-esteem) Happiness (contentedness) Wisdom (a mature understanding of life) National security (protection from attack) Salvation (saved, eternal life) True friendship (close companionship) A sense of accomplishment (a lasting contribution) Inner Harmony (freedom from inner conflict) A comfortable life (a prosperous life) Mature love (sexual and spiritual intimacy) A world of beauty (beauty of nature and the arts) Pleasure (an enjoyable leisurely life) Social recognition (respect, admiration) An exciting life (a stimulating active life)	Clean (Neat, tidy) Courageous (Standing up for your beliefs) Forgiving (Willing to pardon others) Helpful (Working for the welfare of others) Honest (Sincere, truthful) Imaginative (Daring, creative) Independent (Self-reliant, self-sufficient) Intellectual (Intelligent, reflective) Logical (Consistent, rational) Loving (Affectionate, tender) Obedient (Dutiful, respectful) Polite (Courteous, well-mannered) Responsible (Dependable, reliable) Self-controlled (Restrained, self-discipline)
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This research proposes a model that picture the relationship between personal values (that is, instrumental and terminal values) and attitude toward becoming an entrepreneur. It is predicted that there will be a positive relationship between these two types of values toward attitude toward becoming an entrepreneur. As attitude theories show that the stronger the attitude of a person then the stronger the intention to perform a behavior. Since this research focus on intention to quit as an entrepreneur, this negative relationship between attitude and intention to quit is predicted.

Research model and hypotheses

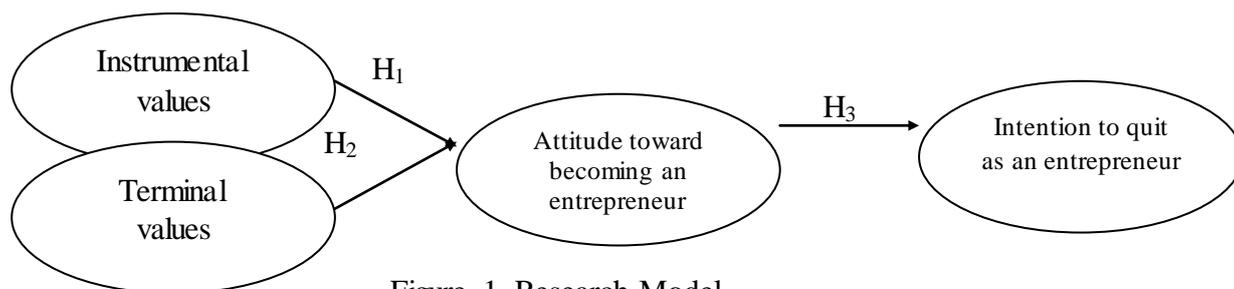


Figure 1. Research Model

The following hypotheses are tested:

H₁: Instrumental values will be positively related to attitude toward becoming an entrepreneur.

H₂: Terminal values will be positively related to attitude toward becoming an entrepreneur.

H₃: Attitude toward becoming an entrepreneur will be negatively related to intention to quit as an entrepreneur.

RESEARCH METHOD

Sample and sampling design.

The target population covered in this research is undergraduate students who are small and medium business entrepreneurs and live in Jakarta and Tangerang. Student entrepreneurs are chosen because of their young age that relatively not stable with their job as entrepreneurs. Temptation to work with established companies and having consistent and stable income are two main factors that may influence their intention to quit as entrepreneurs. The sample size of 200 will be set for this research. This research will apply snowball sampling. Specifically, the researcher will find respondents and ask their references of students' entrepreneur. In other words, the researcher will have more respondents based on referral of other respondents.

Survey.

A self-administrated questionnaire will be used to collect data. Data will be collected over two months period. The self-administered questionnaire will be delivered to respondents by research assistants. Furthermore, a pen as a "token appreciation" will be given to respondents in order to appreciate their time in participating this research.

Measures and the goodnessof measures.

This study will use multi-item scales that was adapted from previous studies to measure constructs in this research model. Specifically, indicators of terminal and instrumental values will be applied from Sihombing (2016). Furthermore, indicators of attitude and intention to quit will be applied from Ajzen (2006). Five-point Likert scale will be applied to measure all items in the questionnaire. The goodness of measures will be tested through reliability and validity analysis. Reliability will measured by applying the Cronbach's alpha test. Furthermore, validity will be established through several ways such as convergent validity, discriminant validity, and nomological validity.

Analysis Data.

Structural equation modeling will be applied to test the relationship between constructs. Specifically, the measurement model will be assessed and folowed by the structural model. For the overall fit of the model, this research several indices such as CMIN/DF, GFI, AGFI, and RMSEA.

CONCLUSION

This research proposal is an attempt to predict the influence of personal values on attitude toward becoming an entrepreneur. This research also predict the negative relationship between attitude toward becoming an entrepreneur and intention to quit as

entrepreneur. Implications of this research will contribute to further understanding of young entrepreneurs, especially the relationship between youth personal values, attitude, and their intention to quit as an entrepreneur. This study will provide practical implications for where the results of this study can be input for the government in understanding young people and entrepreneurship, particularly with regard to sustainable entrepreneurship.

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