# The Influence of Organizational Experience and Mental Readiness on Entrepreneurial Intentions of Management Students

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Abstract: This study aims to analyze the influence of organizational experience and mental readiness on entrepreneurial intentions in management students. Entrepreneurial intentions are one of the important aspects that can increase economic independence among students. Factors that can influence entrepreneurial intentions include organizational experience they gain during college and mental readiness in facing the challenges of the business world. This study uses a quantitative method with a survey approach to 150 management students at University State of Makassar. The results of the study indicate that organizational experience and mental readiness have a significant influence on entrepreneurial intentions. Students who are active in organizations and have good mental readiness tend to have higher intentions to become entrepreneurs.

Keywords: Entrepreneurial intention, organizational experience, mental readiness, management student.

# 1. INTRODUCTION

Entrepreneurship has become one of the main pillars in the development of a modern economy, especially in developing countries such as Indonesia. In the midst of increasingly fierce global competition, the ability to create one's own jobs through entrepreneurship is becoming increasingly important. The Indonesian government continues to encourage the growth of a generation of young entrepreneurs as an effort to reduce unemployment and increase the nation's competitiveness. Universities, as educational institutions that produce educated human resources, are expected to equip their students with skills and mentality that support them to enter the world of entrepreneurship. However, entrepreneurial intentions are not only influenced by knowledge and skills, but also by psychological factors and students' practical experiences during their studies.

Entrepreneurial intentions are a very important initial stage in the entrepreneurial process. Intention is an individual's desire that is directed to take action, which will then influence their actual behavior. In the context of entrepreneurship, entrepreneurial intentions can be interpreted as a person's desire to start and manage a business. This entrepreneurial intention is formed by several factors, including personal factors, experience, and environment (Ajzen, 1991). To understand the factors that influence students' entrepreneurial intentions, two important factors that are the focus of this study are organizational experience and mental readiness.

Received: Agustus 19, 2024; Revised: September 20, 2024; Accepted: Oktober 30, 2024; Online Available: November 21, 2024;

Organizational experience is one of the important aspects in students' lives that can shape leadership skills, team management, and decision-making abilities. Organizational experience gives students the opportunity to interact with others, manage conflicts, and lead certain projects or activities. In organizations, students learn to overcome challenges, work under pressure, and build a wide social network. These skills are similar to the skills needed to run a business. Therefore, organizational experience is thought to have a positive influence on students' entrepreneurial intentions.

In addition to organizational experience, mental readiness is also an equally important factor. Mental readiness is related to how prepared a person is to face uncertainty, pressure, and risks associated with the business world. The world of entrepreneurship is full of challenges, ranging from income uncertainty, market competition, to the risk of failure. Therefore, individuals who have good mental readiness, such as self-confidence, the ability to manage stress, and perseverance, tend to be more prepared to face these challenges. Strong mental readiness can be a psychological capital for someone not to give up easily in the process of running a business.

Several previous studies have shown a relationship between organizational experience and entrepreneurial intention. Research conducted by Shapero (1982) found that involvement in an organization can improve leadership and decision-making skills, which contribute to increased entrepreneurial intention. Meanwhile, another study by Krueger (1993) emphasized the importance of mental readiness factors in determining entrepreneurial success. These two factors often complement each other, where organizational experience can build a person's mental readiness to face the pressures and challenges of entrepreneurship.

However, although there are many studies discussing entrepreneurial intention, there are still few studies that specifically examine the influence of organizational experience and mental readiness on entrepreneurial intention among management students. This study aims to fill this gap by analyzing how these two factors influence entrepreneurial intention among management students at University State of Makassar. By analyzing this relationship, it is hoped that more effective strategies can be found in encouraging entrepreneurial interest among students.

Based on this background, this study was conducted to answer the question of how much influence organizational experience and mental readiness have on students' entrepreneurial intention. The results of this study are expected to provide deeper insight into the factors that influence entrepreneurial intentions and provide input for educational institutions in designing programs that can increase student involvement in organizations and develop their mental readiness.

### 2. METHOD

This study uses a quantitative approach with a survey method. The subjects of the study were management students of Makassar State University who had joined organizations during their studies. The study was conducted by distributing questionnaires to 150 randomly selected management students.

# **Population and Sample**

The population in this study were students of the management study program at Makassar State University. The sample used was 150 students, with a sampling technique using the purposive sampling method, where students who had been in organizations were prioritized.

#### **Research Instrument**

The instrument used was a questionnaire consisting of three main parts:

- The first part measures entrepreneurial intentions using a 5-point Likert scale.
- The second part measures organizational experience, including duration and role in the organization.
- The third part measures mental readiness with indicators such as the ability to deal with stress, self-confidence, and perseverance.

### **Data Analysis Technique**

The collected data were analyzed using multiple linear regression to determine the effect of independent variables (organizational experience and mental readiness) on the dependent variable (entrepreneurial intentions).

# 3. RESULT AND DISCUSSION

### Result

The results of the multiple linear regression test showed that organizational experience has a significant positive effect on entrepreneurial intention with a regression coefficient value of 0.45 (p <0.05). This shows that the more organizational experience students have, the higher their intention to become entrepreneurs.

Mental readiness is also proven to have a significant positive effect on entrepreneurial intention with a regression coefficient of 0.40 (p < 0.05). This means that students who have

good mental readiness, such as the ability to deal with stress and uncertainty, are more likely to have the intention to become entrepreneurs.

In addition, the combined analysis showed that organizational experience and mental readiness together contributed 56% to the variability of entrepreneurial intention of management students.

## Discussion

The results of this study indicate that organizational experience plays an important role in shaping students' entrepreneurial intentions. Involvement in organizations provides opportunities for students to learn to manage teams, solve problems, and lead, which are important skills in the world of entrepreneurship. These results are in line with previous studies that state that organizational experience can improve leadership and managerial skills that are important in the business world (Shapero, 1982).

Mental readiness has also been shown to have a significant effect on entrepreneurial intentions. Students who have better mental readiness tend to be more confident in taking risks and facing business challenges. This is in line with the theory of entrepreneurial intention which states that internal factors such as self-confidence and perseverance play an important role in motivating someone to start a business (Krueger, 1993).

The combination of organizational experience and mental readiness provides a more comprehensive understanding of the factors that influence entrepreneurial intentions. This study suggests that educational institutions provide more opportunities for students to get involved in organizations and develop their mental readiness to face the challenges of the business world.

#### 4. CONCLUSION

Organizational experience and mental readiness significantly affect the entrepreneurial intention of management students at Makassar State University. Students who are active in organizations and have good mental readiness tend to have higher intentions to become entrepreneurs. Therefore, it is recommended that educational institutions increase the role of student organizations and provide training related to mental readiness in facing the business world.

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