

## THE INFLUENCE OF PSYCHOLOGICAL AND SOCIO-ECONOMIC FACTORS ON THE ENTREPRENEURIAL INTEREST OF DENPASAR CITY TEENAGERS

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### Abstract

Entrepreneurial interest can be said to be an individual's interest in meeting needs without worrying about the risks that will be faced or accepted. Psychological factors involve aspects of individual psychology which include motivation, attitudes, interests and self-confidence. Meanwhile, socio-economic factors relate to teenagers' socio-economic background, including education, family, peers and the economic environment around them. The aim of this research is to determine the influence of psychological and socio-economic factors on the entrepreneurial interest of teenagers in Denpasar City. This research uses a mixed quantitative and qualitative approach to analyze teenagers' entrepreneurial interests in Denpasar City. Qualitative data was obtained through interviews and literature reviews, while quantitative data came from statistics on the number of entrepreneurial teenagers in Denpasar City. The results of the analysis show that self-determination, education and working capital have a positive and significant effect on teenagers' interest in entrepreneurship. Self-determination and education provide knowledge, skills, and motivation, while working capital provides the financial ability to start a business. These findings support social learning theory which emphasizes the importance of experience and knowledge in developing entrepreneurial interest. This research provides new insights in understanding the factors that influence teenagers' interest in entrepreneurship in Denpasar City, which can be the basis for developing programs and policies that support entrepreneurship among the younger generation.

**Keywords:** Socio-Economic Factors, Psychological Factors, Entrepreneurial Interests

### INTRODUCTION

Ulfa et al., (2023) and Rahim and Basir (2019) stated that entrepreneurship is one type of opportunity to generate economic value to meet daily needs. The definition of entrepreneurship based on the Decree of the Minister of Cooperatives and Small Entrepreneur Development Number 961/KEP/M/XI/1995, states that (a) an entrepreneur is a person who has the spirit, attitude, behavior and ability of entrepreneurship, and (b) entrepreneurship is the spirit, attitude, behavior, and a person's ability to handle business or activities that lead to efforts to search for, create and apply new ways of working, technology and products by increasing efficiency in order to provide better service and/or obtain greater profits.

Entrepreneurial interest can be said to be an individual's interest in meeting needs without worrying about the risks that will be faced or accepted. Entrepreneurial interest can be seen as an intention to create a new organization or business or as a behavior that dares to take risks to start a new business (Edy Dwi Kurnianti, 2015). Interest in entrepreneurship is a person's choice of activity because they feel interested, happy and have the desire to become an entrepreneur and dare to take risks to achieve success (Suryana, 2011).

Suryana (2016), revealed that there are six important components in business ethics, namely steadfastness, results orientation, courage to accept risks, strength, originality and orientation to the future. According to Drs. Slameto (2013) states that interest is a psychological point of view that is influenced by several variables, whether internal or external. Psychological factors play an important role in teenagers' interest in entrepreneurship. Teenagers who have high motivation, a strong desire to be independent, and the ambition to achieve financial success tend to have a greater interest in entrepreneurship. Apart from that, a positive attitude towards risk, mental resilience and creativity can also influence teenagers' interest in trying to become entrepreneurs.

The city of Denpasar has many attractive business opportunities, especially in the tourism, handicraft, food and service sectors. In the midst of rapid economic development, the interest of Denpasar city teenagers in entrepreneurship has become an interesting issue to research. Psychological and socio-economic factors play an important role in influencing teenagers' interest in engaging in entrepreneurial activities. Psychological factors involve aspects of individual psychology which include motivation, attitudes, interests and self-confidence. Meanwhile, socio-economic factors relate to teenagers' socio-economic background, including education, family, peers and the economic environment around them.

Factors that influence the growth of the decision to become an entrepreneur are the result of the interaction of several factors, namely a person's personality and their environment. According to Lambing and Kuehl (2007), the results of recent research show that there are four things that influence entrepreneurial decisions, namely personal self, cultural environment, social conditions, and a combination of the three. Meanwhile, according to Hisrich, et al. (2005: 18) and Alma (2010: 12), factors that influence entrepreneurial interest are the educational environment, a person's personality and family environment.

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point of view that is influenced by several variables, whether internal or external. Psychological factors play an important role in teenagers' interest in entrepreneurship. Teenagers who have high motivation, a strong desire to be independent, and the ambition to achieve financial success tend to have a greater interest in entrepreneurship. Apart from that, a positive attitude towards risk, mental resilience and creativity can also influence teenagers' interest in trying to become entrepreneurs.

One of the psychological factors is self-determination which is a motivation theory and focuses on motivation that arises from within a person according to Deci & Ryan (1997). Niemic and Ryan (2009) revealed that the components of self-determination consist of autonomy to measure the level of an individual's need to feel they have control and independence in making decisions and acting, competence to measure the level of an individual's need to feel competent, effective and capable. completing tasks and achieving achievements, and relationships (relatedness) to measure the level of an individual's need to feel connected to other people, have positive relationships, and feel accepted in the social environment.

Socioeconomic factors also have a significant influence on teenagers' interest in entrepreneurship. Teenagers who come from families with strong economic backgrounds tend to have better access to the resources and capital needed to start a business. Apart from that, good education also plays an important role in equipping teenagers with the knowledge and skills needed in the business world. Teenagers who have access to a wide social network, including family, peers, and the business community, also tend to be more motivated and get the support needed in entrepreneurship. In the Denpasar context, psychological and socio-economic factors can influence each other.

The city of Denpasar offers many attractive business opportunities, especially in the rapidly growing tourism sector. This can influence teenagers' motivation to become entrepreneurs, because they see opportunities to develop businesses related to this sector. On the other hand, socio-economic factors such as a high level of education and the presence of family or peers involved in business can also influence teenagers' interest in being involved in entrepreneurship.

The influence of psychological and socio-economic factors on teenagers' interest in entrepreneurship in Denpasar City is an interesting topic to research. In recent years, more and more teenagers are interested in starting their own businesses, both in the fields of tourism, fashion, culinary and other creative industries. This shows a paradigm shift among teenagers, where they increasingly view entrepreneurship as an attractive career alternative.

Psychological factors play an important role in teenagers' interest in entrepreneurship. Intrinsic motivation, namely the drive from within teenagers to achieve personal goals, can be a strong trigger for starting a business. Teenagers who have high intrinsic motivation tend to have a strong drive to develop their creative ideas into successful businesses. Apart from that, a positive attitude, self-confidence, creativity and resilience in facing challenges are also psychological factors that influence teenagers' interest in entrepreneurship.

Socioeconomic factors also have a significant impact on teenagers' interest in entrepreneurship in Denpasar City. One of the main factors is the economic growth that occurred in the city. The city of Denpasar is a popular tourism destination, so it provides promising business opportunities, especially in the tourism and hospitality sectors. Apart from that, technological developments and easy access to information also influence teenagers' interest in entrepreneurship. Teenagers in Denpasar City have better access to the internet and social media, so they can learn and get inspiration from successful entrepreneurs around the world. This encourages teenagers to dare to take risks and try running their own business.

Apart from these factors, education also has a significant role in shaping teenagers' interest in entrepreneurship. Education that provides entrepreneurial knowledge and skills to teenagers can help them understand and develop their business potential. Training programs, workshops and extracurricular activities that encourage creativity and innovation can also increase teenagers' entrepreneurial interest and abilities. However, even though there are many factors that influence teenagers' interest in entrepreneurship in Denpasar City, there are still several challenges that need to be overcome.

One of them is the lack of capital and access to adequate financial resources for teenagers to start their businesses. Apart from that, support and guidance from the family, school and government are also important in encouraging teenagers' interest in entrepreneurship. Teenagers need to get moral and practical support from the surrounding environment in order to overcome obstacles and gain the knowledge and skills needed to run a business.

**Table 1. Number of Population Aged 15 Years and Over Who Work in Bali Province According to Regency/City (People)**

Regency/City	Population Aged 15 Years and Over Who Work in Bali Province by Regency/City (Person)				
	2018	2019	2020	2021	2022
Jembrana	162,872	143,403	158,203	171,760	172,282
Tabanan	247,282	270,736	265,435	266,889	276,569
Badung	364,318	382,119	367,619	376,637	388,428
Gianyar	310,651	303,944	270,591	270,510	314,934
Klungkung	106,942	105,314	101,058	98,691	112,973
Bangli	148,423	145,481	143,650	144,897	150,045
Karangasem	256,342	254,667	252,869	256,630	270,291
Buleleng	375,393	339,818	362,851	355,940	371,334
Denpasar	526,484	523,524	501,143	499,900	550,214
Amount	2,525,707	2,469,006	2,423,419	2,441,419	2,607,070

Source: BPS Bali, 2023.

Based on data from the Bali Province Central Statistics Agency, the population of Bali is 4,317,404 people based on population census data in 2020. According to age groups, in 2020 there were 2,423,419 people or the majority of the population on the island of Bali was in the productive age group (15-65 years ). In

2022, the productive age group will increase by 2,607,070 people. However, the high unemployment rate is an endless problem in Indonesia. The large number of workers who want to enter the world of work is not commensurate with the available jobs, resulting in many people not finding work.

Further research on the influence of psychological and socio-economic factors on Denpasar City teenagers' interest in entrepreneurship will provide a deeper understanding of the dynamics and factors that influence the development of entrepreneurship among teenagers. This can help the government and related institutions in designing appropriate policies to support the development of teenagers' entrepreneurial potential, as well as providing appropriate education and training programs to improve teenagers' skills and knowledge in entrepreneurship. So, it is hoped that it can open up employment opportunities for people of productive age and reduce the high unemployment rate in Denpasar City.

## **RESEARCH METHODS**

This research uses a mixed approach, namely a quantitative approach and a qualitative approach. The qualitative approach in this research will analyze the interest of teenagers in Denpasar City in entrepreneurship from the results of interview data and existing notes in previous research. Quantitative approach by analyzing statistical data regarding the number of teenagers in Denpasar City who are entrepreneurs. The data obtained will be studied by testing existing hypotheses using multiple linear regression tests which will provide accurate results.

Research location is an important aspect of research in order to make it easier to determine targets in this research. Based on data from BPS in 2023, the largest number of residents aged 15 years and over who work in Bali Province by Regency/City is in Denpasar City. So, the location of this research is Denpasar City, Bali.

## **RESULTS AND DISCUSSION**

### **Descriptive Analysis**

Descriptive analysis is an important step in research to describe the main characteristics of the data samples collected. Through descriptive analysis, we can calculate measures of data centering such as mean, median, and mode, as well as measures of data dispersion such as range, variance, and standard deviation for each variable (Gómez-Carracedo et al., 2019). In addition, descriptive analysis also allows us to visualize data using graphs or plots, so that we can identify patterns, trends and outliers in the data more easily (Rendón-Macías et al., 2021). This descriptive analysis is an important basis before carrying out further analysis using binary logistic regression, which is the main method in this research to examine the influence of psychological and socio-economic factors on adolescent entrepreneurial interest. By understanding the characteristics of the data descriptively, we can ensure that the assumptions required for binary logistic regression analysis are met, as well as identify potential problems such as missing data or outliers that can affect the results of the analysis (Hosmer et al., 2013).

Descriptive statistical analysis is used to provide an overview or description of the variables in the research. The variables studied are X1, X2, and X3 as independent variables and teenagers' interest in entrepreneurship as the dependent variable. The data results are described by showing values in the form of average value (mean), highest value (maximum), lowest value (minimum), and standard deviation. The results of data analysis are presented in a descriptive statistical table with the research sample (n=100), as follows:

**Table 2. Descriptive Analysis**

Descriptive Statistics					
	N	Minimum	Maximum	Mean	Std. Deviation
Y (Teenagers' interest in entrepreneurship)	100	.00	1.00	,6500	.47937
X1 (Courage to take risks, self-confidence, social support)	100	3.00	12.00	9.81	1.80
X2 (The length of time a person has received education)	100	1.00	3.00	2.0400	.81551
X3 (Amount of working capital)	100	1.00	4.00	2,1400	1.01524
Valid N (listwise)	100				

Source: Results of data processing with SPSS 25.0

### Binary Logistic Regression Method

In this research, the statistical method used is binary logistic regression analysis. There are four model tests in this logistic regression analysis, namely testing the overall model (Overall Model Test), testing the feasibility of the regression model (Goodness Fit Test), coefficient of determination, and classification matrix. Testing of this model will be carried out using Microsoft Excel data processing software and Statistical Package for Social Science (SPSS) version 25.0

#### Assessing the Overall Model (Overall Model Fit)

To assess the overall model (Overall Model Fit) it is shown by the Log Likelihood Value (value -2LL), namely by comparing the -2LL value at the beginning (block number = 0) with the -2LL value at the end (block number = 1). The test is carried out by looking at the difference between the initial -2 log likelihood value (block number = 0) and the final -2 log likelihood value (block number = 1). If the initial -2 log likelihood value is greater than the final -2 log likelihood value, then there will be a decrease in results. The decrease in Log Likelihood shows that the regression model is getting better (Ghozali, 2018:332).

The hypothesis for assessing overall model fit is:

H<sub>0</sub> : Hypothesized model fit with data

H<sub>1</sub> : The hypothesized model does not fit with data

**Table 3. Overall model fit**

-2Log initial likelihood (block number = 0)	129,489
-2Log final likelihood (block number = 1)	105,572

*Source: Results of data processing with SPSS 25.0*

The results of the regression analysis show that the initial -2Log likelihood value (block number = 0) before being included in the independent variable is 129,489. After the four independent variables were entered, the final -2Log likelihood value (block number = 1) decreased to 105.572. The difference between the initial -2Log likelihood and the final -2Log likelihood shows a decrease of 23,917. It can be concluded that the initial -2Log likelihood value (block number = 0) is greater than the final -2Log likelihood value (block number = 1), resulting in a decrease. This indicates that the hypothesized model is fit to the data, so that the addition of independent variables to the model shows that the regression model is getting better or in other words  $H_0$  is accepted.

#### **Testing the Feasibility of the Regression Model (Goodness of Fit Test)**

In logistic regression analysis, it is important to test the suitability of the model (goodness of fit test) to ensure that the resulting model fits the observed data. The model feasibility test aims to evaluate whether there is a significant difference between the observed values and the model predicted values, as well as assessing how well the model can explain variations in the response variable. Testing the feasibility of the regression model was assessed using Hosmer and Lemeshow's Goodness of Fit Test which was measured by the chi square value. Hosmer and Lemeshow's Goodness of Fit Test tests the null hypothesis that the empirical data is suitable or in accordance with the model (there is no significant difference between the model and the data so the model can be said to be fit) (Ghozali, 2018:331). If the Hosmer and Lemeshow test shows a probability value (P-value)  $\leq 0.05$  (significant value) it means that there is a significant difference between the model and the observed values so that the model cannot be used to predict the observed values.

If the Hosmer and Lemeshow test shows a probability value (P-value)  $\geq 0.05$  (significant value) it means that there is no significant difference between the model and the data or it could be said that the model can be used to predict the observed value.

In this research, model feasibility testing is very important to ensure that the resulting logistic regression model is good enough to describe the relationship between psychological factors, socio-economic factors and entrepreneurial interest among teenagers in Denpasar City. Models that pass the feasibility test will provide analysis results that are more valid and can be better interpreted.

**Table 4. Hosmer and Lemeshow Test**

Chi-square	Df	Sig.
9,984	8	0.266

*Source: Results of data processing with SPSS 25.0*

The results of the regression analysis show that the results of the Hosmer and Lemeshow Goodness of Fit Test obtained a chi-square value of 9.984 with a significance level of 0.266. The test results show that the probability value (P-value)  $\geq 0.05$  (significant value), namely  $0.266 \geq 0.05$ , then  $H_0$  is accepted. This indicates that there is no significant difference between the model and the data so that the regression model in this study is feasible and able to predict the observed values.

#### **Coefficient of Determination (Nagelkerke's R Square)**

In logistic regression analysis, the coefficient of determination (R-square) is used to measure how well the model can explain variations in the response variable. However, because logistic regression uses response variables that are binary or categorical, the resulting R-square value cannot be interpreted in the same way as in linear regression. One measure of the coefficient of determination that is often used in logistic regression is Nagelkerke's R Square. This value is a modification of Cox & Snell's R Square which is adjusted so that the value ranges from 0 to 1 (Nagelkerke, 1991). Nagelkerke's R Square provides information about how much variation in the response variable can be explained by the predictor variables in the model.

A higher Nagelkerke's R Square value indicates that the logistic regression model has a better ability to explain variations in the response variable. However, keep in mind that this value is only a rough estimate and cannot be interpreted directly like R-square in linear regression (Hosmer et al., 2013). In this research, the Nagelkerke's R Square value will provide an idea of how much psychological factors and socio-economic factors can explain variations in adolescent entrepreneurial interest in Denpasar City. This value can be used as an indicator to evaluate the quality of the resulting logistic regression model.

**Table 5. Nagelkerke's R Square**

<b>Model Summary</b>		
-2Log Likelihood	Cox & Snell R Square	Nagelkerke R Square
105,572	0.213	0.293

*Source: Results of data processing with SPSS 25.0*

The results of the regression analysis show that the coefficient of determination as seen from the Nagelkerke R Square value is 0.293. This indicates that the ability of the independent variables, namely  $X_1$ , Meanwhile, the remainder is explained by other variables outside of this research model, namely 70.7%.



### Logistic Regression Model

The analysis used in this research is logistic regression analysis, namely by looking at the influence of X1 (Courage to take risks, self-confidence, social support), in entrepreneurship.

**Table 6. Results of Logistic Regression Analysis**

	B	S.E	Wald	Df	Sig.
X1	0.431	0.161	7,205	1	0.007
X2	0.870	0.307	8,023	1	0.005
X3	0.657	0.260	6,363	1	0.012
Constant	-6,654	1,530	17,360	1	0.001

*Source: Results of data processing with SPSS 25.0*

The results of the analysis from logistic regression can be formulated as follows:

$$Y = -6.654 + 0.431 X1 + 0.870 X2 + 0.657 X3 + e$$

Based on the logistic regression equation above, the influence of the independent variable on the dependent variable can be analyzed, including:

- 1) The constant value ( $\alpha$ ) is -6.654, meaning that if the independent variable has a constant value, then the value of teenagers' interest in entrepreneurship is -6.654.
- 2) The variable X1 has a positive coefficient value of 0.431, meaning that if every one-unit increase in
- 3) The variable X2 has a positive coefficient value of 0.870, meaning that if every one unit increase in
- 4) The variable X3 has a positive coefficient value of 0.657, meaning that if every one unit increase in

### Hypothesis testing

In logistic regression analysis, hypothesis testing is an important step to evaluate the statistical significance of each predictor variable on the response variable. One commonly used method is the t test, which is used to test whether the regression coefficient of a predictor variable is statistically significant or not.

The t test in logistic regression is used to test the null hypothesis that the regression coefficient ( $\beta$ ) of a predictor variable is equal to zero, which means the variable does not have a significant influence on the response variable. The alternative hypothesis is that the regression coefficient is not equal to zero, which indicates that the predictor variables have a significant influence (Hosmer et al., 2013).

The t statistic value is calculated by dividing the estimated regression coefficient by its standard error. If the absolute value of the t statistic is greater than the critical value obtained from the t distribution with certain degrees of freedom, then the null hypothesis is rejected, which means that the predictor variable has a significant influence on the response variable. To determine whether

the hypothesis is accepted or rejected by comparing the calculated  $\chi^2$  and the significance level  $\alpha = 0.05$  with the following criteria:

- 1) If the  $\chi^2$ -count value is  $> \chi^2$  tables and the p-value is  $> 0.05$ , then the hypothesis ( $H_0$ ) is accepted. This shows that the independent variables individually (partially) do not influence the dependent variable.
- 2) If the  $\chi^2$  calculated values  $> \chi^2$  tables and the p-value  $< 0.05$ , then the hypothesis ( $H_0$ ) is rejected. This shows that the independent variables individually (partially) influence the dependent variable.

In this research, the t test will be used to evaluate the statistical significance of psychological and socio-economic factors on adolescent entrepreneurial interest in Denpasar City. By using the t test, researchers can identify predictor variables that significantly influence teenagers' entrepreneurial interest and make valid conclusions about the relationship between these variables.

**Table 7. Partial Test Results (t)**

	B	S.E	Wald	Df	Sig.
X1	0.431	0.161	7,205	1	0.007
X2	0.870	0.307	8,023	1	0.005
X3	0.657	0.260	6,363	1	0.012
Constant	-6,654	1,530	17,360	1	0.001

Source: Results of data processing with SPSS 25.0

Degree of freedom (df) = 1, then a table with df 1 is 3.841. The results of hypothesis testing using logistic regression analysis are as follows:

So ttable can be calculated using the MS Excel formula with the insert function formula as follows:

$\chi^2_{\text{table}} = \text{CHIINV}(\text{Probability}, \text{deg\_freedom1})$

$\chi^2_{\text{table}} = \text{CHIINV}(0.05; 1)$

$\chi^2_{\text{table}} = 3,841$

Based on the results of the binary logistic regression data processing carried out, it can be interpreted as follows:

- 1) Self Determination

The first hypothesis ( $H_1$ ) is that X1 has a positive effect on teenagers' interest in entrepreneurship. The results of the Wald (t) test show that the calculated  $\chi^2$  value is smaller than the table  $\chi^2$  ( $7.205 > 3.841$ ) and the probability value is smaller than the significance level ( $0.007 < 0.05$ ). Based on the test results, it can be concluded that  $H_1$  which states that X1 influences teenagers' interest in entrepreneurship is accepted. This can be interpreted to mean that self-determination influences teenagers' interest in entrepreneurship.

- 2) Education

The education variable has a coefficient B. The second hypothesis ( $H_2$ ) is that X2 has a positive effect on teenagers' interest in entrepreneurship. The results of the Wald (t) test show that the calculated  $\chi^2$  value is smaller than the table  $\chi^2$  ( $8.023 > 3.841$ ) and the probability value is smaller than the significance level ( $0.005 < 0.05$ ). Based on the test results, it can be concluded that  $H_2$  which states that X2

influences teenagers' interest in entrepreneurship is accepted. This can be interpreted to mean that education influences teenagers' interest in entrepreneurship

### 3) Working capital

The third hypothesis (H3) is that X3 has a positive effect on teenagers' interest in entrepreneurship. The results of the Wald (t) test show that the calculated X2 value is smaller than the table X2 ( $6.363 > 3.841$ ) and the probability value is smaller than the significance level ( $0.012 < 0.05$ ). Based on the test results, it can be concluded that H2 which states that X3 influences teenagers' interest in entrepreneurship is accepted. This can be interpreted to mean that X3 influences teenagers' interest in entrepreneurship.

Thus, the results of this binary logistic regression analysis support the hypothesis which states that self-determination has a positive effect on adolescent entrepreneurial interest in Denpasar City. The higher a teenager's self-determination, the greater the possibility or opportunity for them to be interested in entrepreneurship.

### Simultaneous Significance Test (Omnibus Tests of Model Coefficients)

In logistic regression analysis, simultaneous significance tests or omnibus tests of model coefficients are used to test whether all predictor variables in the model together have a significant influence on the response variable. This test aims to evaluate the overall goodness of the model (overall model fit) by seeing whether the addition of predictor variables significantly increases the model's ability to explain variations in the response variable.

The omnibus tests of model coefficients are based on the likelihood ratio test, which compares a model with all predictor variables to a model that only includes an intercept (a model without predictors). The null hypothesis in this test is that all regression coefficients of the predictor variables are equal to zero, which means that these variables together do not have a significant influence on the response variable (Peng et al., 2002).

If the statistical value of the likelihood ratio test is significant ( $p\text{-value} < \text{the specified significance level, usually } 0.05$ ), then the null hypothesis is rejected, which indicates that there is at least one predictor variable that has a significant influence on the response variable. Thus, models that include these predictor variables are better than models without predictors in explaining variations in the response variable (Hosmer et al., 2013).

In this research, the omnibus tests of model coefficients will be used to evaluate whether psychological and socio-economic factors together have a significant influence on adolescent entrepreneurial interest in Denpasar City.

**Table 8. Omnibus Tests of Model Coefficients (f)**

Chi-square	Df	Sig.
23,917	3	0,000
23,917	3	0,000
23,917	3	0,000

*Source: Results of data processing with SPSS 25.0*

With a number of observations of ( $n=100$ ) and a number of independent and dependent variables of ( $k=3$ ), the degree of freedom ( $df_1$ ) is 3, where the significance level is  $\alpha = 0.05$ . So the table can be calculated using the Ms Excel formula with the insert function formula as follows: $\chi^2$

$$\chi^2_{table} = \text{CHIINV}(\text{Probability}, \text{deg\_freedom}_1)$$

$$\chi^2_{table} = \text{CHIINV}(0.05; 3)$$

$$\chi^2_{table} = 7.815$$

It can be obtained that the calculated  $X^2$  value is greater than the table  $X^2$  ( $23.917 > 7.815$ ) with a significance level ( $0.000 < 0.05$ ), then  $H_1$  is accepted. So it can be concluded that  $X_1$  (Courage to take risks, self-confidence, social support).

## **Discussion**

Hypothesis 1 ( $H_1$ ): Self-determination has a positive effect on Denpasar City Teenagers' Entrepreneurial Interest.

The research results show that self-determination has a positive and significant effect on adolescent entrepreneurial interest in Denpasar City. This finding is in line with several previous studies conducted in Indonesia, including research by Wahyuni et al. (2019) on students at Semarang State University who found that self-determination has a positive and significant influence on interest in entrepreneurship, where the higher the self-determination, the greater the student's interest in becoming an entrepreneur. A study by Kusumajanti (2020) on vocational school students in Yogyakarta also concluded that self-determination is an important factor that positively influences students' interest in entrepreneurship. Furthermore, research by Primasari et al. (2021) on students at the State University of Malang shows that self-determination has a significant positive influence on students' entrepreneurial interest. High self-determination reflects intrinsic motivation and the ability to control one's own actions, which are important drivers in starting and running an independent business. Individuals with high self-determination tend to have greater initiative, perseverance and self-confidence to face challenges in entrepreneurship.

Hypothesis 2 ( $H_2$ ): Education has a positive effect on the entrepreneurial interest of teenagers in Denpasar City.

The results of your research show that education has a positive and significant effect on teenagers' entrepreneurial interest in Denpasar City, while working capital has no significant effect. This finding is partly supported by several previous studies conducted in Indonesia, including research by Suharti and Sirine (2019) on vocational school students in the city of Surabaya which found that entrepreneurship education had a positive and significant effect on students' entrepreneurial interest, but business capital did not have a significant effect on interest in entrepreneurship. A study by Putra and Mulyadi (2020) on students at Padang State University also concluded that entrepreneurship education had a positive and significant influence on interest in entrepreneurship, while financial capital had no significant influence. Furthermore, research by Anggraeni et al. (2021) on vocational school students in Malang City shows that entrepreneurship

education is a factor that has a positive and significant effect on students' entrepreneurial interest, while financial capital has no significant effect. Entrepreneurship education can provide the knowledge, skills and attitudes needed to start and run a business, thereby increasing self-confidence and reducing the perception of risk in entrepreneurship.

Hypothesis 3 (H<sub>3</sub>): Working capital has a positive effect on Denpasar City Youth Entrepreneurial Interest.

Research conducted by Sulistyono and Siyamto (2021) also supports this finding, where they found that business capital has a positive effect on students' entrepreneurial interest. Business capital provides the financial ability to start and run a business. However, working capital or financial capital is not always the main determining factor in influencing entrepreneurial interest, especially among teenagers who may not have adequate access or financial resources.

#### 1) Self Determination

The research results show that self-determination has a positive and significant effect on adolescent entrepreneurial interest in Denpasar City. This finding is in line with several previous studies, including research by Wahyuni et al. (2019) on students at Semarang State University who found that self-determination has a positive and significant influence on interest in entrepreneurship, a study by Kusumajanti (2020) on vocational school students in Yogyakarta which concluded that self-determination is one of the important factors that influences students' interest in entrepreneurship as a whole. positive, as well as research by Primasari et al. (2021) on students at the State University of Malang which shows that self-determination has a significant positive influence on students' entrepreneurial interest. High self-determination reflects intrinsic motivation and the ability to control one's own actions, which are important drivers in starting and running an independent business. Individuals with high self-determination tend to have greater initiative, perseverance and self-confidence to face challenges in entrepreneurship.

#### 2) Education

The research results show that education has a positive and significant effect on adolescent entrepreneurial interest in Denpasar City. This finding is supported by several previous studies, including research by Suharti and Sirine (2019) on vocational school students in the city of Surabaya which found that entrepreneurship education had a positive and significant effect on students' interest in entrepreneurship, a study by Putra and Mulyadi (2020) on students at universities Negeri Padang which concluded that entrepreneurship education has a positive and significant influence on interest in entrepreneurship, as well as research by Anggraeni et al. (2021) on vocational school students in Malang City which shows that entrepreneurship education is a factor that has a positive and significant influence on students' interest in entrepreneurship.

Entrepreneurship education can provide the knowledge, skills and attitudes needed to start and run a business, thereby increasing self-confidence and reducing the perception of risk in entrepreneurship. Entrepreneurship education can also provide a better understanding of the opportunities and challenges in

entrepreneurship, as well as equip students or students with the skills needed to start a new business.

3) Working capital

The results of the analysis show that working capital has a positive and significant effect on adolescent entrepreneurial interest in Denpasar City. This finding is in line with research conducted by Wardana et al. (2020) which states that access to capital has a positive effect on students' entrepreneurial interest. Working capital is an important factor in starting and developing a business.

Overall, the results of this research are in line with the Social Learning Theory proposed by Bandura (2018). This theory states that individuals learn through direct observation and experience. Entrepreneurship education provides the knowledge and skills necessary for entrepreneurship, while entrepreneurship experience and working capital provide practical learning and financial capabilities to start and run a business.

## CONCLUSION

Based on the results and discussion that have been described, it can be concluded as follows:

1) Self Determination

Self-determination has a positive and significant effect on adolescent entrepreneurial interest in Denpasar City. The higher a teenager's self-determination, the greater their interest in entrepreneurship. High self-determination reflects intrinsic motivation, the ability to control one's own actions, initiative, perseverance, and greater self-confidence to face challenges in entrepreneurship.

2) Education

Education has a positive and significant effect on adolescent entrepreneurial interest in Denpasar City. Entrepreneurship education can provide the knowledge, skills and attitudes needed to start and run a business, thereby increasing self-confidence and reducing the perception of risk in entrepreneurship. Entrepreneurship education also provides a better understanding of the opportunities and challenges in entrepreneurship, as well as equipping students or students with the skills needed to start a new business.

3) Working capital

The results of the analysis show that working capital has a positive and significant effect on adolescent entrepreneurial interest in Denpasar City. This finding is in line with research conducted by Wardana et al. (2020) which states that access to capital has a positive effect on students' entrepreneurial interest. Working capital is an important factor in starting and developing a business.

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