

# The Influence of Adversity Quotient, Social Environment, and Entrepreneurial Intention on the Competitive Advantage of Students and Graduates

Hadiahti Utami<sup>1</sup>, Sri Eka Sadriatwati<sup>2</sup>, Khairul Saleh<sup>3</sup>, Subandi<sup>4</sup>, Umar Farouk<sup>5</sup>

<sup>1, 2, 3,4,5</sup>Business Administration Department, Semarang State Polythecnic

\*Coresponding author: <u>hadiahti.utami@polines.ac.id</u>

#### Abstract

This study aims to examine the competitive advantage of graduates of the Business Administration study programme, Semarang State Polytechnic by knowing the influence of Adversity Quotient, Social Environment, and Entrepreneurial Intention (Techonopreneur) which is a reference in the current era. This research uses a quantitative approach with explanatory research type. The data used is primary data with the help of questionnaire instruments distributed to the entire population, namely business administration study programme students, while the sampling technique used in this study is the Purposive Sampling Method. The number of research samples was 100 samples from the total population of student respondents who had received entrepreneurship courses or had attended entrepreneurship seminars/workshops. The analysis method used in this research is multiple linear regression analysis using SPSS version 25. The output model in this study is expected to make a positive contribution to students so that they have competitiveness in the national and global job markets.

# Keywords: Adversity Quotient, Social Environment, Entrepreneurial Intentions, Competitive Advantage

# 1. INTRODUCTION

Currently, Indonesia faces serious challenges in the labor sector. The open unemployment rate is very high and labor recruitment in the formal sector is still low. According to data from Indonesia's Central Bureau of Statistics, the highest unemployment rate is among college graduates. This is due to the lack of entrepreneurial spirit in society.

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Higher education tends to prepare students to look for jobs rather than open their own business opportunities.

However, the entrepreneurship movement is emerging as a solution that changes this view. People are now not only looking for jobs, but also trying to create their own jobs. The government also supports the entrepreneurship movement as an alternative to addressing the unemployment problem. However, interest in entrepreneurship is still low, and many people are reluctant to start new businesses.

Research shows that entrepreneurial intention involves various factors, including adversity quotient (AQ). AQ is the ability to turn obstacles into opportunities. Individuals with high AQ tend to be more successful as entrepreneurs because they are able to overcome challenges well. In addition to AQ, environmental factors also influence entrepreneurial intensity. Family, community and work environment can influence a person's entrepreneurial interest. Positive support from family can stimulate children's interest to follow in the same footsteps.

Although Indonesia has exceeded the minimum percentage of entrepreneurship to achieve prosperity (2 percent of the population), this figure is still lower compared to other countries such as Malaysia, China, Singapore, Japan, and the United States. Along with the development of science and technology, nowadays the entrepreneurial model is developed into technology-based entrepreneurship known as technopreneur where new age entrepreneurs collaborate between technology, creative, innovative, dynamic, dare to be different and take unexplored paths and are very passionate about their work (Mintardjo, 2008). Technopreneurs combine technology and markets, ultimately leading to business. They start a business based on technological innovation, must have a number of supporters including a strong desire to pursue achievement, conceptual ability and high problemsolving power, have broad insight and way of thinking, high self-confidence, tolerant, risktaking, realistic, have interpersonal skills, and control emotions. So it is very interesting to study the role of adversity quotient and social environment in building entrepreneurial intentions based on technology (technopreneur), so the purpose of this study is to determine and analyze the effect of adversity quotient, social environment and entrepreneurial intentions based on technology (technopreneur) on the ability to entrepreneurship and compete.

The research was conducted on D3 Business Administration Study Program students of the Semarang State Polytechnic Business Administration Department, where in their journey the alumni are still struggling in the world of work competition and do not exist in the absorption of labor as a pioneer in terms of recruitment. So it requires in-depth analysis related to the shortcomings and abilities that need to be improved so that students will be

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ready to compete and be able to become pioneers in recruitment in the national and global job market.

# 2. LITERATURE REVIEW

# 2.1 Adversity Quotient

The term adversity is defined as a challenge in life (Alfiyah, 2012). According to Zaki et al. (2006) is an assessment that measures how a person responds in the face of problems to be empowered into opportunities. Wijaya (2007) adversity quotient is the ability to think, manage and direct actions that form patterns of cognitive and behavioral responses to stimulus events in life in the form of challenges or difficulties.

In general, when someone is faced with difficulties and challenges in life, they become sluggish and helpless, easily giving up before fighting. These are signs of low Adversity Quotient (AQ). Stoltz (2007) mentions four dimensions that make up a person's adversity quotient, namely Control, Origin Ownership, Reach, Endurance.

# 2.2 Social Environment

The growth of entrepreneurial interest is also inseparable from the influence of one's extrinsic factors. Extrinsic factors are factors that affect individuals due to the influence of external stimuli. Extrinsic factors that affect entrepreneurial intentions include: family environment, community environment, opportunities, education and knowledge. In accordance with the results of research Pihie (2009); Bagheri and Pihie (2009), interest in entrepreneurship will be formed if the family gives a positive influence on the interest, because the attitudes and activities of fellow family members influence each other either directly or indirectly. Parents who are entrepreneurs in a particular field can generate their children's interest in entrepreneurship in the same way to their children.

Then the external environment that affects entrepreneurial interest includes the community environment which is an environment outside the family environment both in the area where he lives and in other areas (Izedonmi & Chinonnye, 2010). People who can influence entrepreneurial interest include: neighbors, relatives, friends, acquaintances and other people. The purpose of this study is to analyze the pattern of causal relationships between emotional intelligence, independent attitudes, and the environment on entrepreneurial intentions in college students.

# 2.3 Entrepreneurial Intentions (Technopreneur)

A person's tendency to perform certain behaviors is called intention. Therefore, intention is a component that exists in individuals that refers to the desire to perform certain

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behaviors. According to Wijaya (2007) intention is a component within the individual that refers to the desire to perform certain behaviors. The same thing is also expressed by Sukmana (2008) who says that intention describes the desire to do something. Another opinion was expressed by Handaru et al. (2014) which explains that intentions are things that are assumed to explain motivational factors and have a strong impact on behavior. In line with this opinion, Vemmy (2013) states that intention is part of an individual who is motivated by a person's motivation to act. In another study, Srimulyani (2013) asserts that intention is a person's motivation who consciously decides to exert effort to perform a behavior.

According to Lee and Wong (Suharti and Sirine, 2011) Entrepreneurial intention can be interpreted as the first step of a process of establishing a business that is generally longterm (Lee & Wong, 2004). According to Krueger (Suharti and Sirine, 2011) entrepreneurial intention reflects a person's commitment to start a new business and is a central issue that needs to be considered in understanding the entrepreneurial process of establishing a new business. According to Ramdhani (Srimulyani, 2013: 98) entrepreneurial intention is a motivational factor that influences individuals to pursue entrepreneurial outcomes. Carsrud and Brannback (2009: 55) also provide a definition of entrepreneurial intention, namely the desire to start a business, to create a new business.

In the concept of technopreneurship, the basis of entrepreneurship development stems from the existence of inventions and innovations in the field of technology that are not just high-tech but the application of knowledge to human work such as the application of accounting, order quantity economics, oral and online marketing.

#### 2.4 Competitive Advantage

According to Chermin and Nijhof (2005), the innovation process covers the organization as a whole from the first idea to introducing goods and services to the market. At the end is the ability to compete in the external environment, whether local, national, or global. Competitiveness can be defined as the ability to maintain market share. This ability is largely determined by the factors of timely supply and competitive pricing. So the cycle of learning, knowledge creation, and innovation processes must be in line with the principle of going concern in order to continue to survive in an increasingly competitive environment in the future.

To achieve competitive success, Porter strongly emphasizes that individuals from a country must have a competitive advantage. He added that for the advantage to be sustainable, it must provide high-quality competencies. This means that productivity must be improved over time. Competitiveness is the ability to compete in the market or in other

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words the extent to which an individual is able to outperform its competitors. Speaking of excellence, there are two important advantages that must be possessed. "The two advantages are comparative advantage and competitive advantage. The difference between the two is that comparative advantage is a natural or unengineered advantage while competitive advantage is a created or engineered advantage" (Tambunan, 2001).

# 2.5 Theoritical Framework

The following is the framework used in this study:

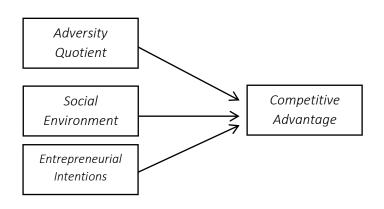


Figure 1. Theorotical Framework

Source: Processed Data

# 2.6 Hypothesis

The hypothesis formulation in this study is as follows:

- H1 : *Adversity Quotient* have a positive impact *Competitive Advantage*.
- H2 : Social Environment have a positive impact Competitive Advantage
- H3 : Entrepreneurial Intentions (Technopreneur) have a positive impact Competitive Advantage

# 3. **RESEARCH METHOD**

The research conducted is quantitative descriptive research which takes the basis on the view that reality is something concrete, can be seen with the human senses, can be grouped by type, form, and behavior, does not change, and can be measured and verified (Sugiyono, 2020).

The population of this study were all D3 Business Administration study program students. Meanwhile, the sampling technique used in this study was purposive sampling

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method. The requirements for the sample are first, students who have struggled in the world of entrepreneurs and often attend entrepreneurship seminars; Second, respondents can be found and are willing to fill out a questionnaire. The number of samples of this study refers to where the minimum sample is 100 based on the guidelines provided by Hair (2022) which suggests using a minimum of 100 samples, this study chose to use 100 respondents.

Data were collected using the survey method using questionnaires as a medium for both closed and open methods. The statements in this questionnaire were made using a scale of 1-5 to obtain interval data. The data analysis techniques used in this study are validity test, reliability test, classical assumption test, and multiple linear regression test.

#### 4. **RESULT AND DISCUSSION**

#### 4.1 Validity Test

Based on data analysis, the validity test can be described in table 1 below:

Table 1. Valuity Test					
Corelation	Sign.	Result			
0,569	0,001	Valid			
0,488	0,006	Valid			
0,751	0,000	Valid			
0,696	0,000	Valid			
Corelation	Sign.	Result			
0,825	0,000	Valid			
0,817	0,000	Valid			
0,825	0,000	Valid			
0,864	0,000	Valid			
Corelation	Sign.	Result			
0,789	0,000	Valid			
0,828	0,000	Valid			
0,791	0,000	Valid			
0,880	0,000	Valid			
Corelation	Sign.	Result			
0,719	0,000	Valid			
0,887	0,000	Valid			
	Corelation 0,569 0,488 0,751 0,696 Corelation 0,825 0,817 0,825 0,864 Corelation 0,789 0,828 0,789 0,828 0,791 0,880 Corelation	Corelation Sign.   0,569 0,001   0,488 0,006   0,751 0,000   0,696 0,000   0,696 0,000   Corelation Sign.   0,825 0,000   0,817 0,000   0,825 0,000   0,825 0,000   0,825 0,000   0,826 0,000   0,828 0,000   0,789 0,000   0,828 0,000   0,791 0,000   0,880 0,000   Corelation Sign.   0,791 0,000			

Table 1. Validity Test

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Y3	0,880	0,000	Valid
Y4	0,900	0,000	Valid

Source: processed data

From the table above, it can be seen that all the questions in the questionnaire can be said to be valid because the value of r count>r table.

#### 4.2 Reliability Test

From the data analysis conducted, the following reliability test results can be seen in table 2 below:

No	Variable	Chronbach Alpha	Result.
1	Adversity Quotient (X1)	0,736	Reliable
2	Social Environment (X2)	0,825	Reliable
3	Entrepreneurial Intentions (Technopreneur) (X3)	0,822	Reliable
4	Competitive Advantage (Y)	0,829	Reliable

#### Table 2. Reliability Test

Source: processed data

From the table above, it can be seen that all the questions in the questionnaire can be said to be reliable because the value of chronbach alpha> 0.70.

#### 4.3 Normality Test

The purpose of the normality assumption test is to test whether in a regression model, the independent variable and the dependent variable have a normal distribution or not. A good regression model is normal or near normal data distribution. where the sig value must be> 0.05 in order to be said to be normally distributed. The following are the results of the normality test:

Test	Sig.	Alpha	Result
Kolmogorov-Smirnov	0,200	0,05	The data is normally distributed

Table 3	8. Norma	lity Test
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Source: processed data

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Based on the results of the normality test, it can be concluded that the data is normally distributed.

# 4.4 Multicolinearity Test

The multicollinearity test is intended to test whether the regression model finds a correlation between independent variables. The multicollinearity test results can be seen in the following table:

No	Variable	Tolerance	VIF	Result
1	Adversity Quotient	0,924	1,083	
T	(X1)			
2	Social Environment	0,829	1,206	Multicollinoarity
	(X2)			Multicollinearity does not occur
	Entrepreneurial	0,786	1,272	
3	Intentions			
	(Technopreneur) (X3)			

# Table 4. Multicollinearity Test

Source: processed data

Judging from the test results above, the three variables have a tolerance value of more than 0.10 and a VIF value of less than 10, it can be concluded that the data does not occur multicollinearity.

# 4.5 Heterocedasticity Test

To detect the presence or absence of heteroscedasticity, it can be done by looking at the presence or absence of certain patterns on the Scatter Plot graph. If the Scatter Plot graph does not form or describe a certain pattern, it means that it can be said that the regression model is free from heteroscedasticity. The results of the heteroscedasticity test can be seen in the following scatterplot graph:



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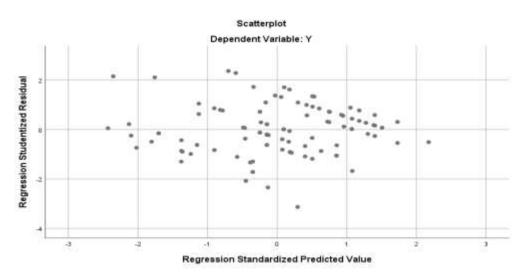


Figure 2. Heteroscedasticity Test Results

Source: processed data

Based on the picture above, it can be seen that the plots contained in the image spread randomly, so it can be concluded that the data does not occur heteroscedasticity.

# 4.6 Multiple Regression Analysis

Based on the data obtained from the questionnaire, and tabulated, then analyzed using SPSS version 25, the results for multiple regression testing are presented in table 5 below. The partial significance test serves to partially test the hypothesis between the independent variable and the dependent variable. The hypothesis is accepted if the significance level is <0.05:

Table 5. T test			
Variable	В	T value	Sign.
Constant	-2,399	-1,140	0,257
Adversity Quotient (X1)	0,675	5,885	0,000
Social Environment (X2)	0,452	4,374	0,000
Entrepreneurial Intentions	0,003	0,036	0,972
(Technopreneur) (X3)			
R = 0,649		T table= 1.98422	
R square = 0,421		Sign.= 0,05	

Source: data processed

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Based on table 5 above, it can be interpreted as follows:

- a. The regression equation Y = -2.399 + 0.657X1 + 0.452 X2 + 0.003X3 which can be interpreted:
  - 1) Competitive Advantage can be seen in the constant value of -2.399, assuming that it does not take into account the variables of Adversity Quotient, Social Environment, and Entrepreneurial Intentions.
  - 2) Adversity Quotient will increase Competitive Advantage by 0.657, assuming other variables are constant, where if Adversity Quotient increases by one unit, then Competitive Advantage will also increase by 0.657 units, assuming that other variables not examined in this study are constant or fixed.
  - 3) Social Environment will increase Competitive Advantage by 0.452, assuming other variables are constant, where if Social Environment increases by one unit, Competitive Advantage will also increase by 0.452 units, assuming that other variables not examined in this study are constant or fixed.
  - 4) Entrepreneurial Intentions will increase Competitive Advantage by 0.003, assuming other variables are constant, where if Entrepreneurial Intentions increases by one unit, then Competitive Advantage will also increase by 0.003 units, assuming that other variables not examined in this study are constant or fixed.
- b. The R value of 0.649 can be interpreted that the relationship between variable X (Adversity Quotient, Social Environment and Entrepreneurial Intentions) to variable Y (Competitive Advantage) is strong, because it is getting closer to number 1.
- c. Based on the  $\beta$  value above, it can be concluded that Adversity Quotient has a greater influence on Competitive Advantage than Social Environment and Entrepreneural Intentions.
- d. The R Square value of 0.421 or 42.1% explains the influence of variable X (Adversity Quotient, Social Environment and Entrepreneurial Intentions) on variable Y (Competitive Advantage). The R Square value above can be interpreted that the magnitude of the influence of variable X on Y is 42.1% while the remaining 57.9% is influenced by other variables outside the variables studied in this study.

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# 4.7 Hypothesis Test

In this study, the t table value is 1.984 with a significant level of  $\alpha = 5\% = 0.05$ . Based on the table above, it can be seen that the t value for the Adversity Quotient variable (X1) is 5.885 greater than the t value, with a significant level smaller than the  $\alpha$  value, which is 0.000. Thus it can be interpreted that Adversity Quotient has a positive and significant effect on Competitive Advantage.

From table 5, it can also be seen that the t value for the Social Environment variable is 4.374 greater than the t table value, which is 1.984 with a significant level of 0.000 smaller than the significant value  $\alpha$  0.05. Thus it can be interpreted that Social Environment has a positive and significant effect on Competitive Advantage.

From table 5, it can also be seen that the t value for the Entrepreneurial Intentions variable is 0.003 less than the t table value, which is 1.984 with a significant level of 0.972 greater than the significant value of  $\alpha$  0.05. Thus it can be interpreted that Entrepreneurial Intentions have a negative and insignificant effect on Competitive Advantage.

# 5. CONCLUSION

Based on the results of data analysis and hypothesis testing that has been done, it can be concluded that from the results of hypothesis testing at a significance level of 0.05, the hypothesis will be accepted partially. Thus hypothesis 1 regarding the positive effect of Adversity Quotient on Competitive Advantage is accepted, as well as hypothesis 2 regarding the positive effect of Social Environment on Competitive Advantage is accepted. Hypothesis 3 is rejected because the significance value is more than 0.05 so it can be said that Entrepreneurial Intentions have a negative influence on Competitive Advantage.

The R square value or coefficient of determination which shows the amount of contribution from the influence of Adversity Quotient, Social Environment, Entrepreneurial Intentions, on Competitive Advantage is 42.1%, while the remaining 53.7% comes from other factors outside this study.

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