



## Street Vendors: Orientation and Mindset of Entrepreneurship on Entrepreneurial Intention

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### Abstract

*The number of street vendors in Indonesia is an exciting thing to research. This relates to their decision to become an entrepreneur. Several interesting points are identified as supporting their entrepreneurial intentions, including entrepreneurial orientation, entrepreneurial mindset, and innovative work behaviour, which strengthen relationships. The problem often faced by street vendors is a need for more innovation so they do not have a competitive edge. On the other hand, intense competition usually becomes an obstacle in running a business. Therefore, innovation and ideas are needed to make them survive and even win the contest. The population in this study consists of street vendors spread across Greater Malang, with a sample size of 200 respondents. The method used in this research is PLS-SEM analysis. Entrepreneurial orientation and entrepreneurial mindset influence innovative work behaviour. A strong entrepreneurial spirit will encourage innovation. Another interesting finding is that creative work behaviour does not mediate the relationship between entrepreneurial orientation and entrepreneurial mindset on entrepreneurial intentions. There needs to be support other than entrepreneurial orientation and an entrepreneurial mindset to generate entrepreneurial intentions, such as entrepreneurship education, as well as government support related to the environment, capital, and training.*

**Keywords: Entrepreneurial Orientation, Entrepreneurial Mindset, Innovative Work Behavior, Entrepreneurial Intention, street vendors, MSME**





## 1. INTRODUCTION

Street vendors are part of Indonesia's city and cultural landscape, especially in the culinary vendor sector, which is also included in the MSME category. Street vendors provide various kinds of food and drinks and shape local cultural identity (Rachmayanti et al., 2018). In Indonesia, the number of street vendors has experienced significant growth in recent years (Christoforus & Sabtalistia, 2023). Street vending has become an immensely popular alternative job; this can be seen from government support through relocation, financial loans, and even constructive guidance (Tarlis et al., 2023). However, there are various challenges, such as intense competition, limited resources, and the need for access to information and technology. These challenges become increasingly difficult when faced with low entrepreneurial desires and abilities.

Therefore, it is necessary to understand further the components that influence street vendors' desire to become entrepreneurs and improve their business performance. This desire refers to entrepreneurial intention, which refers to an individual's beliefs and plans to start a business shortly and create new and competitive innovations (Cekule et al., 2023). One factor that can influence street vendors' entrepreneurial intention is entrepreneurial orientation, namely the ability to recognize market opportunities, take measurable risks, and innovate in running a business (Orlando & Sihombing, 2022). Furthermore, research also reveals that entrepreneurial orientation drives the creation of entrepreneurial intention by driving a person's interest and desire to enter business (Lee et al., 2022). Street vendors can utilize a robust entrepreneurial orientation to develop new ideas, expand market reach, and increase competitiveness in an increasingly competitive business world.

Apart from entrepreneurial orientation, another critical factor is an entrepreneurial mindset inherent in the individual. This entrepreneurial mindset refers to an individual's beliefs, ideas and knowledge that guide entrepreneurial activities (Bhatta et al., 2024). This mindset helps individuals develop effective business strategies, increase sales, and improve product and service quality. An entrepreneur must be sensitive to opportunities so that they can take advantage of them and develop their business. This is reflected in the mindset inherent in the entrepreneur. This mindset also influences beliefs, behaviour and plans in starting a business (Abdelwahed & Alshaikhmubarak, 2023; Cekule et al., 2023). A flexible and adaptive mindset is essential to face the ever-changing business environment. For street vendors, this can mean responding to changing market trends, utilizing technology to increase efficiency, and introducing innovation in selling. This mindset helps them adapt more quickly to contemporary business dynamics and have more opportunities for success.





The discussion of these two variables is closely related to individual innovative behaviour. With an entrepreneurial mindset and entrepreneurial orientation inherent in individuals, this will generate creativity and innovation. When the entrepreneurial passion inherent in employees is strong, it will influence innovative work behaviour (Pérez & Guevara, 2023). Market conditions, especially street vendors, which continue to change rapidly, have encouraged business actors to develop an entrepreneurial mindset and orientation to remain relevant and competitive. Various previous studies highlight the importance of entrepreneurial orientation and entrepreneurial mindset in forming innovative behaviour that encourages the creation of added value and company growth.

For example, research finds that efforts to increase innovation capabilities, which include searching for new business ideas, identifying business opportunities, and executing them, have consistently been shown to impact business performance significantly. Managers also observe changes in the hospitality sector as the beginning of new business opportunities that demand a resilient entrepreneurial mindset (Kariuki et al., 2022). In the context of rapidly changing market competition, innovation through entrepreneurial orientation plays a vital role in ensuring a company's competitive advantage (Ha, 2022). This occurs through the influence of team identification, which emphasizes idea exploration, generation, promotion and implementation of innovation (Shahid et al., 2022).

Research also shows that support for entrepreneurial orientation and entrepreneurial mindset through innovative work behaviour can foster innovation, proactiveness, risk-taking, and vision in facing post-pandemic challenges (Raimi & Kah, 2022). In addition, innovation through EO can help companies achieve high corporate performance (Gundry et al., 2014). Based on this literature review, entrepreneurial orientation and mindset are essential in forming thought patterns and behaviours that support innovation, which can improve business performance.

The problem that business actors often face is a need for more innovation, so they do not have competitiveness. On the other hand, very tight competition also makes things worse. This makes it challenging to develop core competencies. In turn, they find it difficult to compete. Innovation and ideas are needed to make them survive and even win the competition. Innovative Work Behavior (IWB) is a concept that can improve product quality and quantity, increase promotions, and improve sales management systems. Innovation refers to developing, adopting, and implementing new ideas for employees' products, technologies, and work methods. Innovative Work Behavior, in turn, involves employee behaviour to introduce new and valuable ideas in organizational and service activities. This





concept is essential for increasing organizational competitiveness and improving employee quality of life (Halawa et al., 2023; Sari et al., 2021; Srirahayu et al., 2023; Xu & Suntrayuth, 2022).

Innovative work behaviour (IWB) is essential in increasing entrepreneurial intention. In the context of entrepreneurial intention, IWB can help increase an individual's ability to think creatively and innovatively when developing a business to face challenges and take risks related to business development. In the context of street vendors in Indonesia, IWB is very important for increasing entrepreneurial intention. Street vendors in Indonesia, as seen in previous studies, face various challenges, such as intense competition, limited resources, and lack of access to information and technology. Furthermore, innovative work behaviour is seen as applying creative methods and ideas to improve organizational performance and increase sustainability (Janssen, 2000). Innovative behaviour is also considered an ability that many people value and expect, given its significant influence on organizational performance (Newman et al., 2019). Innovative behaviour produces social change, increases employee self-esteem, and produces more than economic and psychological benefits (Rank et al., 2004).

## 2. LITERATURE REVIEW

### 2.1 Relationship Between Entrepreneurial Orientation on Entrepreneurial Intention

Entrepreneurial orientation is a company's aggressiveness in choosing product market units and willingness to innovate and create new offerings (Merz & Sauber, 1995). Furthermore, entrepreneurial orientation also refers to the processes, practices and decision-making activities that lead to the entry of new entrants (Lumpkin & Dess, 1996). The concept of entrepreneurial orientation was first developed by (Miller, 1983) by identifying three main dimensions: risk-taking, innovativeness and proactiveness. Subsequent research conducted by (Lumpkin & Dess, 1996) added two new dimensions: autonomy and competitive aggressiveness. Entrepreneurial orientation is closely related to organizational achievement, where this support can be created through risk-taking, proactiveness and innovation (Rauch et al., 2009). This proves that entrepreneurial orientation dramatically impacts the development of innovation and creativity. Apart from that, entrepreneurial orientation is also considered a construct at the company level that describes the identity of a company (Chandrakumara et al., 2011; Grande et al., 2011).





In the concept of entrepreneurship, "intent to act" is seen as a fundamental factor in creating a business (Kautonen et al., 2015; Maresch et al., 2016) and the main driver in the entrepreneurial process (Zhao et al., 2010). This entrepreneurial process needs to be understood and analyzed to understand and analyze entrepreneurial intention (Ozaralli & Rivenburgh, 2016). This entrepreneurial process also involves cognition and entrepreneurial activities (Liñán & Fayolle, 2015). Based on this, a deeper understanding and analysis of the relationship between entrepreneurial orientation and entrepreneurial intention is needed. Empirically, entrepreneurial intention is influenced by entrepreneurial orientation (Triyono et al., 2023). Other support is also shown that entrepreneurial orientation drives the creation of entrepreneurial intention by moving a person's interest and desire to enter business (Lee et al., 2022). Therefore, this research puts forward the hypothesis as:

H1: Entrepreneurial orientation has a significant positive effect on entrepreneurial intention.

## 2.2 Relationship Between Entrepreneurial Mindset and Entrepreneurial Intentions

Discussions about entrepreneurship cannot be separated from the concept of an entrepreneurial mindset, which is a collection of attitudes, values, and skills essential for an entrepreneur to succeed (Dasmit et al., 2023). This mindset plays a crucial role in generating interest in entrepreneurship among business students by influencing their beliefs, behavior, and plans for starting new businesses (Abdelwahed & Alshaikhmubarak, 2023; Cekule et al., 2023; Sun et al., 2023).

The importance of an entrepreneurial mindset is not only limited to initiating new businesses but is also very relevant in managing established businesses (Larsen, 2022). By adopting an appropriate attitude, an entrepreneur can increase their adaptability, creativity, and resilience to emerging challenges, thereby assisting in achieving long-term success in a dynamic and changing business environment. In addition, an entrepreneurial mindset helps the understanding process, enabling individuals to solve business problems (Bhatta et al., 2024). Several indicators explain the entrepreneurial mindset, including alertness to opportunity, risk propensity, ambiguity tolerance, and creativity-bricolage (Bernardus et al., 2022). Based on this description, the following hypothesis is formulated:

H2: Entrepreneurial mindset has a significant positive effect on entrepreneurial intention.





## 2.3 The Mediating Role of Innovative Work Behavior

### 2.3.1 Relationship Between Entrepreneurial Orientation on Innovative Work Behavior

In the world of entrepreneurship, innovation is significant in driving success. This innovation refers to innovative work behavior, which describes the level of innovative employee performance in dealing with work demands, which depends on the fair ratio between the effort expended and the rewards received at work (Janssen, 2000). Innovative work behavior is a process that arises from employee perceptions regarding high levels of entrepreneurial orientation (Kör, 2016). When the entrepreneurial passion inherent in employees is strong, it will influence innovative work behavior (Pérez & Guevara, 2023). Entrepreneurial orientation is also often associated with risk-taking, proactiveness, and innovation for organizational achievement (Rauch et al., 2009). (De Jong & Den Hartog, 2010) identified several indicators of innovative work behavior, including Idea Exploration, Idea Generation, Idea Championing, and Idea Implementation. Based on this description, the following hypothesis is formulated:

H3: Entrepreneurial orientation has a significant positive effect on innovative work behavior

### 2.3.2 Relationship Between Entrepreneurial Mindset on Innovative Work Behavior

Innovation and entrepreneurship cannot be separated; they are interrelated. Innovation is essential in encouraging business growth; this can be achieved by maintaining business processes, concepts, and services (Bhatta et al., 2024). It needs to be understood that there is an entrepreneurial mindset in the idea of entrepreneurship, which plays a crucial role. The entrepreneurial mindset is a source of innovation driven by the abilities and perspectives of each individual (Kuratko et al., 2021). Entrepreneurial mindset is a profound cognitive phenomenon that guides business activities (Jena, 2020). An entrepreneurial mindset helps analyze the business environment, which ultimately has an impact on entrepreneurial activity itself. This kind of mindset is needed to encourage innovation in the workplace. The entrepreneurial mindset helps unite big ideas into fully functioning businesses and explains individual tendencies in achieving business goals (Kuratko et al., 2021). This appropriate mindset indicates the necessary actions to demonstrate innovative work behavior (Bhatta et al., 2024). Based on this description, the following hypothesis is formulated:





H4: Entrepreneurial mindset has a significant positive effect on innovative work behavior

### 2.3.3 Relationship Between Innovative Work Behavior on Entrepreneurial Intention

Innovative work behavior is an interesting variable in this research because innovative work behavior explains behavioral phenomena that occur in the concept of entrepreneurship. Of course, there is an underlying intention to become an entrepreneur. Entrepreneurial intention to start a new business requires increased creativity to demonstrate innovative work behavior (Bhatta et al., 2024). One characteristic that can influence entrepreneurial intention is the ability to identify opportunities. The research results show that students' innovative work behavior has an essential influence on entrepreneurial intention by increasing their ability to recognize opportunities (Low & Macmillan, 1988). Other research also confirms that students' innovative work behavior positively relates to their entrepreneurial intention (Huang et al., 2021). Furthermore, leaders can encourage their followers to act in ways that demonstrate innovative work behavior (Hughes et al., 2018). Based on this explanation, a hypothesis can be drawn:

H5: Innovative work behavior has a significant positive effect on entrepreneurial intention.

Entrepreneurial intention, which refers to a person's confidence in starting a new business venture (Hsu et al., 2019), requires support from many things. Innovative work behavior (IWB) is an essential component that contributes significantly. IWB involves initiative, creativity, and the ability to think outside the box in creating differentiated solutions, which enable people to actualize their business intentions (Pérez & Guevara, 2023). Studies show that entrepreneurial orientation (EO) directly impacts entrepreneurial passion and entrepreneurial initiative. This is because an entrepreneurial orientation creates an environment supporting new ideas and innovation, encouraging people to consider participating in entrepreneurial activities.

In addition, risk-taking controls attitudes, entrepreneurial abilities, and perceived benefits of digital technology on entrepreneurial intentions (Nkwei et al., 2023). Entrepreneurial intention depends on aspects of entrepreneurial orientation, such as proactiveness, risk-taking, and innovation. Therefore, IWB is an essential link between business orientation and intentions. The relationships between EO and IWB and entrepreneurial intentions demonstrate the complexity and importance of psychological and





behavioral factors that shape entrepreneurial intentions and actions. As a result, IWB helps people turn their desire for entrepreneurship into reality, enabling them to develop new ideas and take bold action to set up new businesses.

Furthermore, it is essential to consider the role of entrepreneurial mindset in encouraging entrepreneurial intention. Viewing entrepreneurship not only allows people to behave creatively but is also the main factor enabling them to start entrepreneurship. The entrepreneurial mental perspective encourages followers, entrepreneurs, and employees to develop new ideas by learning and adopting unique mindsets in this field (Kuratko et al., 2021). Those who maintain a solid entrepreneurial attitude tend to have a greater desire to participate in entrepreneurial ventures. Great attention to mental aspects, such as cognitive components, encourages innovative work behavior (Welter et al., 2019). This shows that individuals with a robust entrepreneurial mindset are more likely to demonstrate innovative work actions, increasing their likelihood of turning their desires into concrete actions in starting or developing their business ventures. In other words, a high entrepreneurial mindset refers to an individual's willingness to explore new ideas and take risks associated with business ventures (Dheer & Lenartowicz, 2019).

Research shows innovative work behavior can change the relationship between entrepreneurial views and intention (Bhatta et al., 2024). This shows how vital innovative work behavior is as an intermediary that connects the way people think about entrepreneurship and their decisions to engage in concrete actions to achieve their business vision. Therefore, the complex relationship between an entrepreneurial mindset, innovative behavior at work, and entrepreneurial intentions shows how vital a supportive attitude, behavior, and motivation are to encourage people to pursue entrepreneurial dreams.

H6: Entrepreneurial orientation significantly positively affects entrepreneurial intention, which is mediated by innovative work behavior.

H7: Entrepreneurial mindset significantly positively affects entrepreneurial intention, which is mediated by innovative work behavior.

### 3. RESEARCH METHOD

This research uses a quantitative research approach. The population in this study is represented by street vendors in the snack category, spread across the Malang Raya area in unknown numbers. The number of samples used if the population is not known with certainty is calculated using the formula (Hair et al., 2019), namely the number of question items x 5. However, if the number of question items is more than 20, then the sample size is







100-200 (Hair et al., 2019). To reduce the level of error that might arise during data analysis, the sample size in this study was 200 respondents. The data collection method uses primary data, distributed using a questionnaire. The questionnaire uses a Likert scale with a rating range of 1-5. The data that has been collected is then processed and analyzed descriptively and inferentially. The data processing method in this research uses a Structural Equation Model (SEM) approach based on Partial Least Square (PLS), which is divided into two stages:

1. Evaluation of the Measurement Model (Reflective Measurement Model Evaluation). Used to determine the reliability and validity of research instruments.
2. Evaluation of Structural Models (Formative Measurement Models). Goodnes-Fit model test to assess how much influence endogenous latent variables have on the structural model. Hypothesis testing by assessing the inner model and outer model.

#### 4. RESULT

The research results were based on 200 street vendor respondents for the snack category spread across the Malang Raya area. The data is presented in the following table form.

**Table 1 Sample Characteristics and Percentage**

Characteristics	N	Percentage (%)
Gender		
Male	117	64.9%
Female	83	35.1%
Age		
21-25 years old	26	13,0%
26-30 years old	31	15,5%
31-35 years old	46	23,0%
36-40 years old	64	32,0%
>40 years old	33	16,5%

(source: primary data)

Structural Equation Modeling consists of a measurement model (outer model) and a structural model (inner model). The measurement model can explain how each indicator in the measurement model causes the formation of latent variables. Furthermore, it can be seen that each exogenous latent variable influences the endogenous latent variable. In this



research, there are two exogenous variables, namely entrepreneurial orientation, measured by five indicators, and entrepreneurial mindset, measured by four indicators. One endogenous variable is entrepreneurial intention, measured by one indicator, and one mediating variable is innovative work behavior, measured by four indicators.

#### 4.1 Outer model analysis

The measurement model (outer model) analyzes the relationship between latent variables and manifest variables or indicator variables. These tests include convergent validity, discriminant validity, and reliability. The measurement model in this research is as follows.

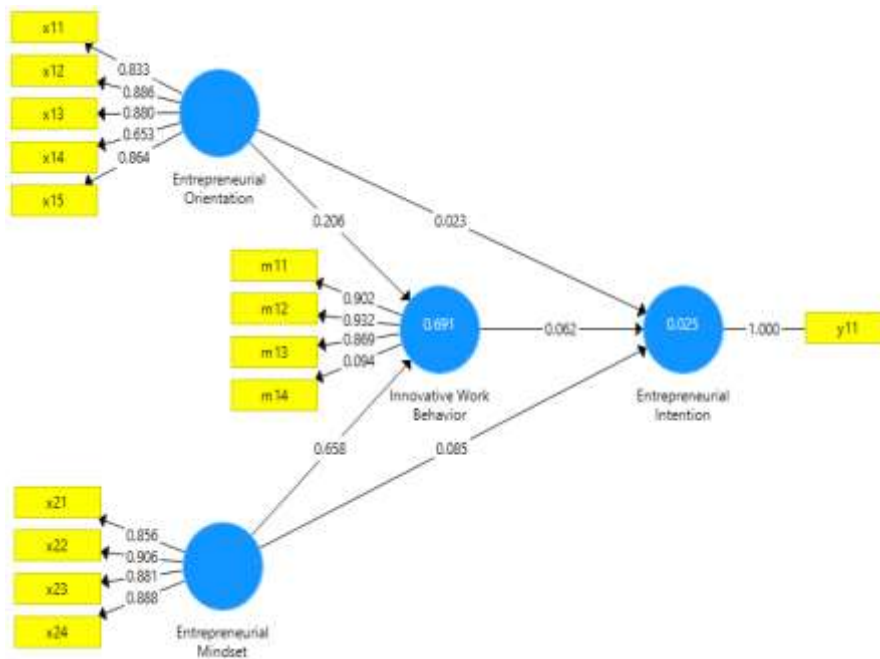
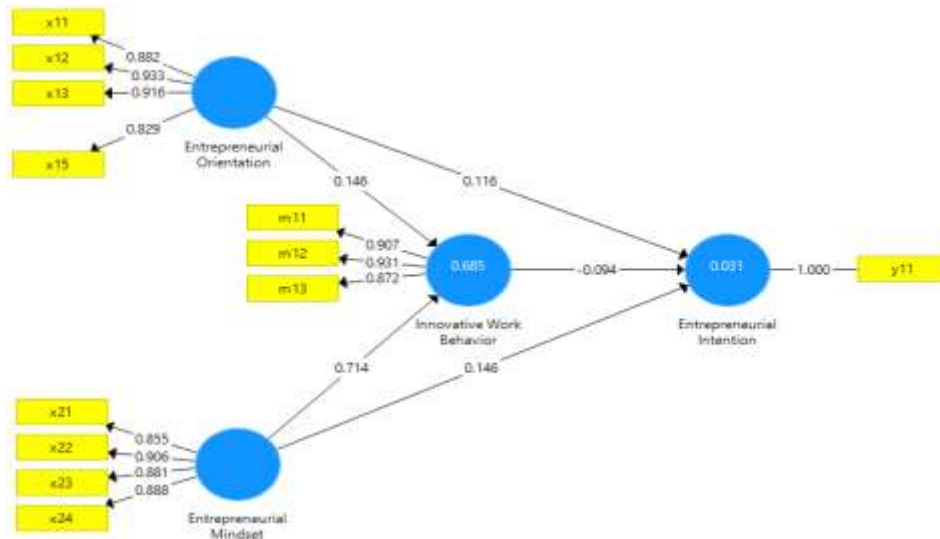


Figure 1: Model 1 SEM PLS Entrepreneurial Intention

Based on the results of the loading factor calculation, it can be concluded that there are still indicators with a value  $<0.7$ ; this indicates that the indicator is unsuitable to be used as a measurement model, so this indicator must be deleted. The indicators in question are X14 and M14.

Figure 2: Model 2 SEM PLS Entrepreneurial Intention

Based on the second test, after the indicators that were not suitable were removed, the results showed that all indicators had a value of >0.7, which means that all indicators



were suitable for use as a measurement model.

### 1. Reflective Measurement Model Evaluation

Table 2 Reflective Measurement Model Evaluation

Variabel	Indicator	Loading	Cronbach's Alpha	rho_A	Composite Reliability	Average Variance Extracted (AVE)
Entrepreneurial Orientation	X11	0,882	0,914	0,923	0,939	0,794
	X12	0,933				
	X13	0,916				
	X15	0,829				
Entrepreneurial Mindset	X21	0,855	0,906	0,908	0,934	0,779
	X22	0,906				
	X23	0,881				
	X24	0,888				



<b>Innovative Work Behavior</b>	<b>M11</b>	0,907	0,887	0,889	0,930	0,817
	<b>M12</b>	0,931				
	<b>M13</b>	0,872				
<b>Entrepreneurial Intention</b>	<b>Y11</b>	1.000	1,000	1,000	1,000	1,000

Source: processed data, (2024)

1. Validity testing is carried out with convergent and discriminant validity. The loading value of all indicators is  $> 0.708$ , and the discriminant validity figure for all latent variables is  $> 0.708$ , so it can be concluded that all indicators and all latent variables are valid.
2. The reliability test was carried out by looking at Cronbach's alpha and composite reliability values where all latent variables showed numbers  $> 0.708$ , so it could be concluded that all latent variables were reliable.
3. The convergent validity test is also carried out by looking at the average variance extracted (AVE) numbers, where all latent variables show numbers  $> 0.50$ , so it can be concluded that all latent variables are valid

2. Formative Measurement Models

Evaluation of the structure of the inner model is carried out in two stages, namely the coefficient (R2) determination and Goodness of Fit (GoF) assessment.

4.2 Coefficient of Determination

Based on the results of the tests carried out, the R square value was obtained as follows:

Table 3 coefficient of determination

	<b>R Square</b>	<b>R Square Adjusted</b>
<b>Innovative Work Behavior</b>	0,685	0,681
<b>Entrepreneurial Intention</b>	0,031	0,016

Source: processed data, (2024)

Based on the R Square value recorded in the regression analysis, it can be concluded that the entrepreneurial orientation and entrepreneurial mindset variables influence 68.5%. This means that 68.5% of the variation in the level of innovative work behavior can be explained by the entrepreneurial orientation and entrepreneurial mindset variables, while



other factors not included in the research model also contribute to the remaining level of organizational innovation. Furthermore, the R Square value for the entrepreneurial intention variable is 3.1%. This shows that the combination of the variables entrepreneurial orientation, entrepreneurial mindset, and innovative work behavior has an influence of 3.1% on the variable entrepreneurial intention. This means that only a tiny part of the variation in entrepreneurial intention can be explained by entrepreneurial orientation, entrepreneurial mindset, and innovative work behavior (3.1%), while other factors not included in the model can contribute to the remaining variation in observed organizational performance.

### 4.3 Assessment of Goodness of Fit (Gof)

The Goodness of Fit (Gof) assessment can be seen from the NFI score. The NFI value > 0.662 is declared fit and suitable for testing the research hypothesis. Based on the results of the assessment obtained:

**Table 4 Goodness of fit (GoF)**

	<b>Saturated Model</b>	<b>Estimated Model</b>
<b>SRMR</b>	0,080	0,080
<b>d_ ULS</b>	0,495	0,495
<b>d_ G</b>	0,325	0,325
<b>Chi-Square</b>	352,164	352,164
<b>NFI</b>	0,833	0,833

*Source: processed data, (2024)*

Based on the table, the NFI value is 0.833. This shows that the model in this study has high goodness of fit and is feasible to use to test the model hypothesis.

### 4.4 Hypothesis test

Hypothesis testing in this study was carried out by reviewing the *T-Statistic values* and *P-Values*. The hypothesis can be accepted if it fulfills *the T-Statistic > 1.96* and *P-Values < 0.05*. Based on the test results, the following results were obtained:

**Table 5 path coefficient (direct effect)**

	Original Sample (O)	Sample Mean (M)	Standard Deviation (STDEV)	T Statistics ( O/STDEV )	P Values
Entrepreneurial Mindset -> Entrepreneurial Intention	0,146	0,143	0,134	1,088	<b>0,277</b>
Entrepreneurial Mindset -> Innovative Work Behavior	0,714	0,717	0,060	11,997	<b>0,000</b>
Entrepreneurial Orientation -> Entrepreneurial Intention	0,116	0,112	0,092	1,256	<b>0,210</b>
Entrepreneurial Orientation -> Innovative Work Behavior	0,146	0,143	0,073	2,001	<b>0,046</b>
Innovative Work Behavior -> Entrepreneurial Intention	-0,094	-0,087	0,132	0,717	<b>0,474</b>

Source: processed data, (2024)

This table explains five hypotheses that have a direct influence. Based on this table, only two hypotheses are accepted, namely H4 with a T-Statistic value of 11.997 and P-Values of 0.000. H3 with a T-Statistic value of 2.001 and P-Values of 0.046. The three hypotheses cannot be accepted because the T-statistic value is < 1.96 and the P-Values > 0.05.

**Table 6 path coefficient (indirect effect)**

	Original Sample (O)	Sample Mean (M)	Standard Deviation (STDEV)	T Statistics ( O/STDEV )	P Values
Entrepreneurial Mindset -> Entrepreneurial Intention	-0,067	-0,064	0,096	0,703	<b>0,483</b>
Entrepreneurial Mindset -> Innovative Work Behavior					
Entrepreneurial Orientation -> Entrepreneurial Intention	-0,014	-0,010	0,021	0,664	<b>0,507</b>
Entrepreneurial Orientation -> Innovative Work Behavior					



<b>Innovative Work Behavior -&gt; Entrepreneurial Intention</b>					
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Source: processed data, (2024)

The table shows that the significant T-statistic indirect effect of entrepreneurial orientation on entrepreneurial intention is 0,483, and the indirect impact of entrepreneurial mindset on entrepreneurial intention is 0,507, which means greater than 0.05. This shows that innovative work behavior cannot mediate the effect of entrepreneurial orientation and mindset on entrepreneurial intention.

### 5. DISCUSSION

Based on the research results that have been presented, there is evidence showing that entrepreneurial orientation (EO) and entrepreneurial mindset (EM) have a significant impact on innovative work behavior, which is reflected in the concept of "innovative work behavior" (IWB). This shows that the innovative behavior shown by street vendors arises because of processes related to their passion for entrepreneurship. When the entrepreneurial passion inherent in employees is strong, it will influence innovative work behavior (Pérez & Guevara, 2023). This confirms that someone with a solid entrepreneurial passion tends to show higher levels of IWB. This highlights the importance of psychological and motivational aspects in shaping innovative behavior in the context of street vendors.

In addition, entrepreneurial orientation (EO) is also associated with decision-making processes, practices, and activities that lead to the entry of new entrants into the market (Lumpkin & Dess, 1996). In the context of street vendors, entrepreneurial orientation (EO) can trigger innovative processes that enable them to face market challenges in new and creative ways. This shows that adopting entrepreneurial orientation (EO) can trigger a positive response to changes and challenges in the business environment. Furthermore, entrepreneurial orientation will increase innovation behavior, which positively impacts job performance (Ha, 2022). This confirms that EO adoption influences the innovative process and its outcomes, which can ultimately improve overall performance.

Other results also show that an entrepreneurial mindset influences innovative work behavior. The entrepreneurial mindset is a source of innovation driven by the abilities and perspectives of each individual (Kuratko et al., 2021). This highlights how individuals view themselves, and their business environment can influence the extent to which they are willing and able to innovate. Understanding entrepreneurial mindset (EM) as an action that





drives business activities (Jena, 2020) highlights its role in moving individuals to create and realize innovative ideas into fully functional products or services. In this context, an entrepreneurial mindset (EM) helps facilitate the transformation from concept to reality that can produce added value for customers and the company.

The importance of the entrepreneurial mindset (EM) also lies in its ability to unite big ideas into a fully functioning business and explain individual tendencies to achieve business goals (Kuratko et al., 2021). In other words, an entrepreneurial mindset (EM) not only triggers creativity in generating new ideas but also strengthens individual determination and commitment to make these ideas a reality in business. The right mindset possessed by individuals with an entrepreneurial mindset (EM) shows taking the actions needed to demonstrate innovative work behavior (Bhatta et al., 2024). This includes identifying opportunities, overcoming obstacles, and creating new and practical solutions to complex and diverse business challenges. Finally, entrepreneurial mindset (EM) is not only a factor in forming innovative behavior but is also the key to building and developing a business through innovation. A better understanding of the entrepreneurial mindset (EM) can help individuals and organizations formulate innovative strategies that are more effective and sustainable in facing growing business challenges.

Other interesting findings in this research highlight the complexities involved in forming entrepreneurial intentions, especially when considering factors such as entrepreneurial orientation (EO), entrepreneurial mindset (EM), and innovative work behavior (IWB). These findings indicate that having a high entrepreneurial orientation (EO), a robust entrepreneurial mindset (EM), or engaging in innovative work behavior alone cannot trigger the desire to become an entrepreneur. The importance of attitudes and education related to entrepreneurship is an exciting highlight in this context (Yasa et al., 2023). This shows that apart from internal elements such as orientation and mindset, external factors, including education and culture, also significantly influence entrepreneurial intentions. Consequently, a comprehensive approach that integrates internal and external aspects is more likely to stimulate entrepreneurial intentions effectively. In addition, it is essential to emphasize environmental factors, capital sources, and government guidance in strengthening entrepreneurial intentions (Tarlis et al., 2023). This illustrates the critical role of external assistance in fostering an environment conducive to entrepreneurial advancement. Collaborative efforts from governments, educational institutions, and the private sector to offer resources, training, and guidance can help individuals realize their entrepreneurial aspirations.







## 6. CONCLUSION

Entrepreneurship (EO) influences innovative work behavior (IWB) in an entrepreneurial environment. EO concerns actions, procedures, and decision-making activities that affect the implementation of new methods in the business environment. In contrast, EM is a component that helps turn an idea into a reality that can benefit individuals and organizations. EM helps people discover opportunities, manage problems, and generate innovative solutions to complex business problems. EM is a driving factor for innovation and helps create and implement business strategies.

In addition, this research emphasizes that internal factors, such as orientation and mindset, and external factors, such as education and culture, influence the adoption of innovative work behavior. Combining internal and external elements into one approach can more effectively drive innovation in the business environment.

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