

THE INFLUENCE OF ENTREPRENEURIAL ORIENTATION, WORK-LIFE BALANCE, AND CAREER CHOICE ON THE ENTREPRENEURIAL INTENTION OF GENERATION Y

Mei Ie^{1*}, Rorlen², Salsabilla Ayundha Martsha Buana³, Ferdyanto Gunawan⁴

¹ Faculty of Economics and Business, Universitas Tarumanagara, Jakarta, Indonesia*

Email: meii@fe.untar.ac.id

² Faculty of Economics and Business, Universitas Tarumanagara, Jakarta, Indonesia

Email: rorlen@fe.untar.ac.id

³ Faculty of Economics and Business, Universitas Tarumanagara, Jakarta, Indonesia

Email: salsabilla.115210285@stu.untar.ac.id

⁴ Faculty of Economics and Business, Universitas Tarumanagara, Jakarta, Indonesia

Email: ferdyanto.115230003@stu.untar.ac.id

*Corresponding Author

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ABSTRACT

Entrepreneurial intentions in Generation Y are influenced by various factors that reflect their preferences and life orientation. Entrepreneurial orientation will form a proactive mindset and dare to take risks. Work-life balance is also an important consideration for Generation Y who crave flexibility and balance between their personal and work lives. Meanwhile, career choice determines the direction of an individual's decision in choosing the career that best suits their aspirations, including the tendency to become an entrepreneur. Therefore, these three factors are seen as interrelated in influencing the entrepreneurial intention of Generation Y. The purpose of this research is to enrich the literature related to the variables of entrepreneurial orientation, work life balance, and career choice on the entrepreneurial intention of Generation Y. The sample amounted to 100 employee respondents in the age range of generation Y.

Keywords: *Entrepreneurial Intention, Work Life Balance, Career Choice, Entrepreneurial Intention*

1. INTRODUCTION

Generation Y, or what we better know as Millennials, is a demographic group known for possessing several unique traits or characteristics in their work habits. They grew up in the digital era, which has offered easy access to information and rapid technological innovation, impacting lifestyle changes and outlooks on life, including their current or potential careers (Tysara, 2024). Generation Y currently believes that education can help them prepare for their future careers (IDN Media Report, 2024).

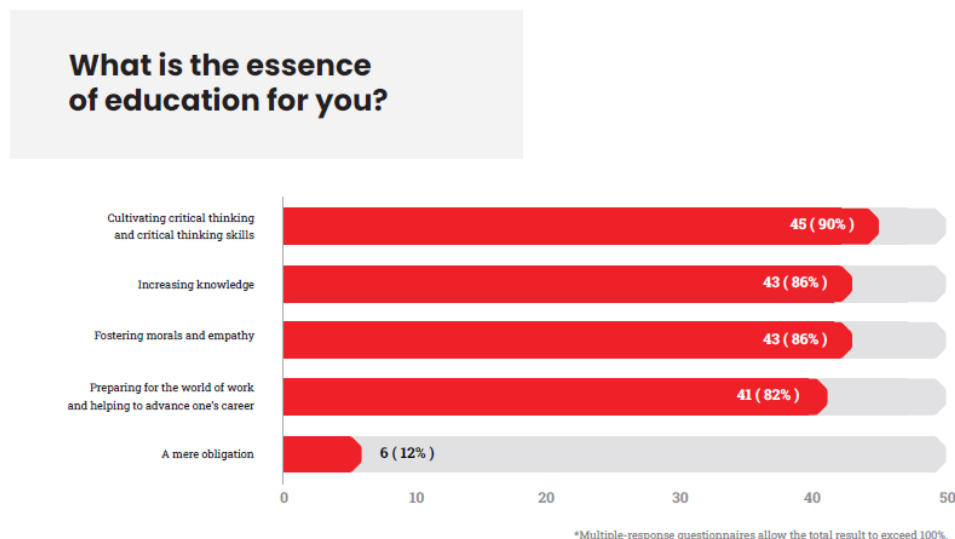


Figure 1. Important Educational Factors According to Generation Y
 Source: IDN Media Report (2024)

Amidst various career demands, entrepreneurial orientation is increasingly becoming a prominent option in choosing a career path. Entrepreneurial orientation (EO) is a key factor that can influence entrepreneurial intentions. Entrepreneurial orientation encompasses several crucial traits commonly possessed by Gen Y or Millennials: proactivity, innovation, and risk-taking (Covin & Wales, 2019). In addition to entrepreneurial orientation, work-life balance, commonly known as work-life balance, is a crucial concern for this generation. They seek flexibility and satisfaction in their personal lives without sacrificing the professional careers they have built and maintained. This will influence their decisions in choosing career paths that offer greater flexibility, such as becoming an entrepreneur (Kumar & Shukla, 2021). However, on the other hand, career choice is also heavily influenced by personal values, social expectations, and opportunities for growth. Many individuals view entrepreneurship as a career alternative and experience freedom in managing their work environment and time (Gomes et al., 2020). This tendency can also be seen in entrepreneurial intention, a psychological construct that reflects a person's desire to become an entrepreneur. This intention can also be influenced by the factors mentioned above, namely entrepreneurial orientation, work-life balance, and career choices (Schlaegel & Koenig, 2019).

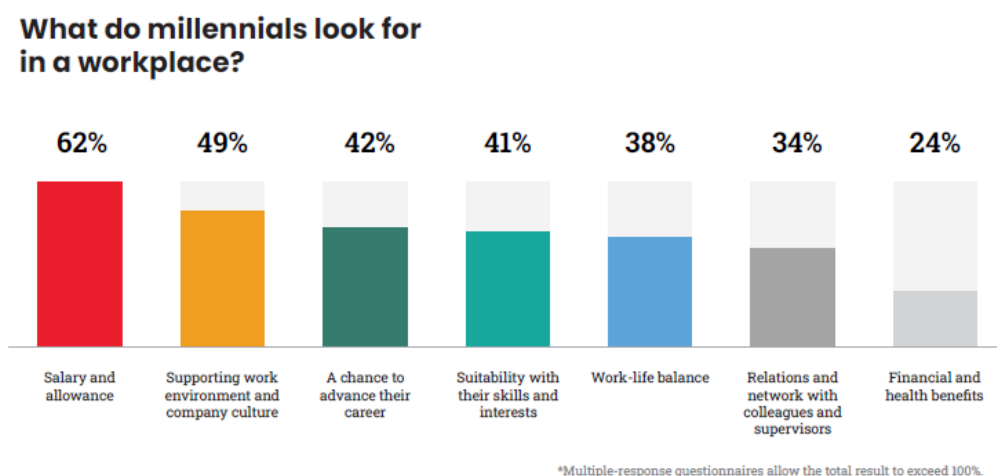


Figure 2. Generation Y's focus in looking for a place of work
 Source: IDN Media Report (2024)

This research is also supported by data from the IDN Media Report (2024), which found that the factors that influence a generation Y in choosing a workplace or determining their career are several considerations, including the opportunity for continued development and work-life balance. Based on the explanation above, this study has the title "The Influence of Entrepreneurial Orientation, Work-Life Balance, and Career Choice on Entrepreneurial Intention of Generation Y". It is hoped that this research can enrich similar research and expand the knowledge of academics and managers in accordance with existing educational developments.

Research Objectives

The purpose of this study is to increase theoretical and practical knowledge regarding the relationship between Entrepreneurial Orientation, Work-Life Balance, and Career Choice on Entrepreneurial Intention among Generation Y. Furthermore, this study aims to address the gaps in the current literature by testing a model linking these three variables in the context of Generation Y. From a manager's perspective, this study aims to identify the key components that can drive entrepreneurial intentions among Generation Y. Furthermore, this research is expected to assist HR managers in developing policies that allow for flexible career development and a balance between work and personal life.

Research Urgency

This study, entitled "The Influence of Entrepreneurial Orientation, Work-Life Balance, and Career Choice on Entrepreneurial Intention of Generation Y," is crucial for understanding the factors influencing entrepreneurial interest among Generation Y. This generation is currently in its productive phase and faces various economic challenges, including career uncertainty in the formal sector. This leads to an increasing need for innovation and entrepreneurship to achieve greater goals. This research is also significant because Generation Y differs from previous generations, prioritizing career flexibility and work-life balance. The results are expected to help policymakers and employers create a supportive environment for the growth of Generation Y entrepreneurs and help them make better and more balanced career choices.

Generation Y

Generation Y, commonly known as millennials, were born between 1981 and 1996 and are the second-largest generation in Indonesia, representing 25.87% of Indonesia's total population of 69.38 million (IDN Media Report, 2024). This generation is often labeled as the "lazy" generation (Nugroho, 2021). Generation Y experienced the transition to the internet era, a crucial factor influencing modern life (Sampoerna University, 2021). This generation also possesses certain characteristics, such as creativity, information, and passion (Aeni, 2022). Furthermore, Gen Y is characterized as open-minded and achievement-oriented (Arviana, 2021).

Entrepreneurial Orientation

Entrepreneurial orientation is a strategic business orientation encompassing the practices, processes, and activities that underlie innovation and market entry decisions (Lumpkin & Dess, 1996; Ciampi et al., 2020). From the M/CS perspective, entrepreneurial orientation has three interrelated dimensions: innovation, proactivity, and risk-taking (Wales et al., 2020b). Furthermore, entrepreneurial orientation is also considered an enthusiastic mindset for taking risks in developing ideas, methods, and processes for new products/services, updating market offerings, and being proactive in identifying and capitalizing on untapped market opportunities compared to competitors (Wiklund, 1999; Zahra & Covin, 1995; Genc et al., 2019).

Work Life Balance

Excessive fatigue can threaten a person's ability to effectively manage interactions between work and personal life, thus jeopardizing their work-life balance (Gander et al., 2010; Palumbo, 2020). Work-life balance is a state in which a person feels balanced and effective in carrying out activities within their work and personal spheres, thereby generating significant potential in their career (Wood et al., 2020).

Career Choices

Career choices are a developmental issue related to ongoing positive and detrimental psychological, physical, and socioeconomic inequalities (Akosah-Twumasi, 2018). Even when someone has a satisfying job, they still consider career choices (McLean et al., 2019). Factors influencing career choices include educators, superiors, family, mentors, and social media (Lee et al., 2018).

Entrepreneurial Intention

Entrepreneurial intention is a variable that can predict an individual's entrepreneurial behavior (Alejandro Valencia et al., 2018). The emergence of entrepreneurial intention in an individual is also crucial because it is the first phase in creating a business (Voda & Florea, 2019). According to Polas et al. (2019), an individual must have an entrepreneurial tendency to become an entrepreneur.

Entrepreneurial Orientation and Entrepreneurial Intention

According to Mohan (2022), an individual with entrepreneurial intention is more likely to recognize economic opportunities or enter the world of entrepreneurship. Entrepreneurial intention is formed when an individual has an orientation toward creating activities, businesses, or other business activities without any coercion (Putry et al., 2020). This opinion also aligns with research by Munawar (2019) that found that entrepreneurial intention can be influenced by entrepreneurial orientation.

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

Work-Life Balance and Entrepreneurial Intention

According to De Clercq & Brieger (2021), individuals who achieve work-life balance can increase motivation, satisfaction, and business performance. Improving work-life balance also requires a sense of autonomy at work, which can be felt if someone has the desire to become an entrepreneur (Yukongdi & Lopa, 2017). However, this statement contradicts Forson's (2013) statement in Adisa et al.'s (2019) research, which found that entrepreneurs struggle to experience work-life balance.

H2: Work-life balance has a positive effect on entrepreneurial intention.

Career Choices and Entrepreneurial Intention

Many individuals who avoid feeling constrained by corporate institutions will choose to become entrepreneurs (Sun et al., 2019). Some individuals are more interested in entrepreneurship as a career path, even though there are opportunities for them to become employees with guaranteed salaries (Asante & Affum-Osei, 2019). However, this contradicts research by Meoli et al. (2020), which found that the decision to become an entrepreneur is fraught with risk and uncertainty, leading many individuals to experience anxiety, fear, and even career delays.

H3: Career choices have a positive effect on entrepreneurial intention.

2. RESEARCH METHOD

Research Design and Data Collection Techniques

This study uses a quantitative design that focuses on measuring variables related to the phenomenon discussed, with the aim of developing and testing existing hypotheses. A cross-sectional design was applied because data will only be collected once within a planned period. A non-probability sampling technique was used for sampling, where not all members of the population have an equal chance of being selected. A hybrid survey method was used for reasons of efficiency and effectiveness. The sample was selected based on criteria predetermined by the researcher, so the purposive sampling technique was considered appropriate. The respondent criteria were employees aged 25 to 40 years in 2024, because this study focuses on samples from generation Y. The minimum target sample was 100 respondents, with the instrument in the form of a questionnaire using a 5-point Likert scale, namely "strongly disagree", "disagree", "neutral", "agree", and "strongly agree".

Data Analysis Techniques

The data analysis method used in this study was Partial Least Squares Structural Equation Modeling (PLS-SEM) using SmartPLS 3.0 software. The analysis process began with validity and reliability tests. Validity tests included examining the results of the AVE test, loading factors, and HTMT. Next, reliability tests were conducted through Cronbach's alpha and composite reliability analysis of the processed data. After the data met all established criteria, the analysis continued with tests for R-square (R^2), predictive relevance (Q^2), effect size (f^2), Goodness of Fit Model (GoF) Index, path coefficient analysis, hypothesis testing, and Heterotrait-Monotrait Ratio (HTMT) analysis.

3. RESULTS AND DISCUSSIONS

Coefficient of Determination (R-Square/ R^2)

Table 1 shows the results of the R^2 test, which was 0.492, or 49.2%. This means that 49.2% of the dependent variable (entrepreneurial intention) is influenced and can be explained by the independent variables (entrepreneurial orientation, work-life balance, and career choices).

Table 1. Results of the Coefficient of Determination (R^2) Test
 Source: Data processing results in SmartPLS 3 software (2024)

Variabel	R^2	R^2 Adjusted
	0,492	0,498

Effect Size (f^2)

Table 2 shows the results of the f^2 test on each independent variable, showing that work-life balance is the predictor that has the greatest effect on entrepreneurial intention, while entrepreneurial orientation is the predictor that has the smallest effect on entrepreneurial intention.

Table 2. Effect Size (F^2) Test Results
 Source: Data processing results in SmartPLS 3 software (2024)

	Employee Performance
Entrepreneurial Orientation	0,297
Work Life Balance	0,494
Career Choices	0,341

Hypothesis Testing

In this study, hypothesis testing can be seen from the t-statistics and p-values. However, bootstrapping is necessary during the testing process to determine the t-statistics and p-values. Therefore, the results of the hypothesis testing can be seen in Table 3, which displays the results of the t-statistics and p-values.

Table 3. Results of t-statistics and p-values testing
 Source: Data processing results in SmartPLS 3 software (2024)

Variabel	Original Sample	t-statistics	p-values	Information
Entrepreneurial Orientation → Entrepreneurial Intention	0,166	10,163	0,000	Accepted
Work Life Balance → Entrepreneurial Intention	0,127	4,417	0,000	Accepted
Career Choices → Performance of Entrepreneurial Intention	0,170	5,715	0,000	Accepted

The results of the H1 test indicate that entrepreneurial orientation has a positive effect on entrepreneurial intention, as evidenced by the original sample value (0.166). Furthermore, the t-statistic (10.163) confirms the hypothesis as significant, as it has a value >1.96 . Furthermore, this hypothesis yields a p-value of 0.000, thus accepting the hypothesis as it has a value <0.05 .

The results of the H2 test indicate that work-life balance has a positive effect on entrepreneurial intention, as evidenced by the original sample value (0.127). Furthermore, the t-statistic (4.417) confirms the hypothesis as significant, as it has a value >1.96 . Furthermore, this hypothesis yields a p-value of 0.000, thus accepting the hypothesis as it has a value <0.05 .

The results of the H3 test indicate that career choices have a positive effect on entrepreneurial intention, as evidenced by the original sample value (0.170). Furthermore, the t-statistic (5.715) indicates that the hypothesis is significant because it has a value >1.96 . Furthermore, this hypothesis produces a p-value (0.000), so the hypothesis is accepted because it has a value <0.05 .

4. CONCLUSIONS AND SUGGESTIONS

Based on the previous discussion, it can be concluded that:

- 1) Entrepreneurial orientation has a positive and significant influence on entrepreneurial intention.
- 2) Work-life balance has a positive and significant influence on entrepreneurial intention.
- 3) Career choices have a positive and significant influence on entrepreneurial intention.

The suggestion from the results of this study is that generation Y is more active in developing entrepreneurial orientation through increasing creativity, courage to take risks, and the ability to innovate. In addition, it is important to maintain a work-life balance in order to cultivate entrepreneurial intentions more sustainably, as well as consider career options that suit your interests and potential.

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