

A Study of Students' Entrepreneurial Behavior in Higher Education: Exploring Motivation and Challenges

Keyword : <i>Internal Motivation, External Barriers, Entrepreneurial Behavior, University Students</i>	Denok Wahyudi Setyo Rahayu¹, Aqnes Dwi Sakti Hamidah², Diajeng Irmaya³ ¹⁻³ Universitas Islam Balitar Email: denok.wahyudisr@gmail.com
Page : 1-9	Abstract — <i>This study aims to analyze the influence of internal motivation and external barriers on the entrepreneurial behavior of university students. The low entrepreneurial interest among students, despite exposure to entrepreneurship education, indicates a gap between motivation and real practice. This research employs a quantitative approach using questionnaires distributed to students who have taken entrepreneurship courses and analyzed through multiple linear regression. The results show that internal motivation has a positive and significant effect on entrepreneurial behavior, while external barriers have no significant effect. This finding suggests that intrinsic factors such as achievement drive, independence, and self-confidence play a dominant role in shaping entrepreneurial behavior. Universities should therefore focus on strengthening students' internal motivation through contextual learning, mentorship, and business incubation programs.</i>

ARTICLE HISTORY

Received: November 18, 2025

Revised: November 21, 2025

Published: September 1, 2025

I. INTRODUCTION

Entrepreneurship serves as a strategic solution for reducing unemployment, particularly among college graduates. However, student interest in becoming entrepreneurs remains relatively low in practice. Data from the Global Entrepreneurship Monitor (GEM) indicates that the proportion of young entrepreneurs in Indonesia is below 5%, despite their significant contribution to economic growth and job creation.

Entrepreneurial behavior among college students does not emerge spontaneously but is influenced by various factors. One key factor is internal motivation, such as the drive to achieve, independence, and the courage to take risks. This motivation is often reinforced by self-efficacy, namely an individual's belief in their ability to start and manage a business (Farradinna & Fikri, 2020). On the other hand, college students also face various external barriers that hinder their entrepreneurial intentions and actions. These barriers include limited capital, lack of experience, limited time due to academic activities, and fear of failure. Obstacles such as a lack of family support and limited market access are significant obstacles to realizing entrepreneurial practices among college students (Iskandar & Mulyati, 2018). Entrepreneurship education implemented in higher education is expected to overcome the gap between motivation and existing barriers. Through education and training programs, students are expected to gain basic skills, an entrepreneurial mindset, and practical experience. However, the effectiveness of entrepreneurship education remains a matter of debate, as not all students show increased interest or entrepreneurial behavior after participating in the program (Widayanti et al., 2023).

International studies support the idea that students' entrepreneurial intentions are significantly influenced by the perceived support they receive from their university environment and their self-confidence in their abilities. Additionally, student creativity should continue to attract consumer interest in the products they produce (Rahayu, 2019). However, in Indonesia,

social environmental factors, a collectivist culture, and resilience to failure often play a crucial role in differentiating students from those in other countries (Ridwan & Zaki, 2023).

To address various obstacles in fostering entrepreneurial skills, entrepreneurship education in higher education is expected to effectively shape students' mindsets and behaviors. One program aimed at achieving this is the Independent Entrepreneur initiative developed by the Ministry of Education, Culture, Research, and Technology, which seeks to provide practical entrepreneurial experiences through project-based activities. Engaging in practice-based entrepreneurship learning and mentorship can enhance students' entrepreneurial competencies and intentions. However, the results are not entirely consistent (Fatmawati & Fatimah, 2025). Even after completing entrepreneurship courses, students often show only a minor increase in their interest and behavior towards entrepreneurship. This suggests a disconnect between the entrepreneurial knowledge acquired in the classroom and its practical application in real-life situations (Trista & Rakhmawati, 2025).

Research gaps have emerged because most previous studies focused primarily on students' entrepreneurial intentions, with few examining how internal motivation interacts with external barriers to influence actual entrepreneurial actions. Additionally, the effectiveness of entrepreneurship education in Indonesia has not been thoroughly evaluated from the standpoint of students' real behaviors in running a business. Understanding the reciprocal relationship between motivation and barriers is essential for designing more targeted educational strategies and policies. Therefore, this study is critical as it analyzes how internal motivation and external barriers interact to shape the entrepreneurial behaviors of college students. It is essential to conduct an in-depth investigation of how this interaction influences students' entrepreneurial behavior in both their intentions and actual actions. This research is vital for formulating more effective entrepreneurship development strategies that align with the characteristics of today's Indonesian students.

II. RESEARCH METHOD

Several key variables of internal motivation, external barriers, and student entrepreneurial behavior are causally linked in this study. A descriptive quantitative approach was used in this study. This method was chosen because it allows for testing hypotheses and determining the extent of influence of previously theoretical variables (Sugiyono, 2021). The purpose of this type of research is to explain how student entrepreneurial behavior is influenced by internal (motivation) and external (barriers) factors. This study will be conducted on final-semester students at Balitar Islamic University who have taken entrepreneurship courses. Upper-semester students typically have a deeper understanding and experience of campus entrepreneurial practices, which is why this criterion is used (Farradinna & Fikri, 2020). Three main variables are measured in the data collection instrument: (X1) internal motivation (indicated by the drive to achieve, the desire for independence, and income orientation); (X2) external barriers (indicated by capital, time, market access, and social support); and (Y) entrepreneurial behavior (indicated by experience in establishing a business, running a business, or a real intention to become an entrepreneur).

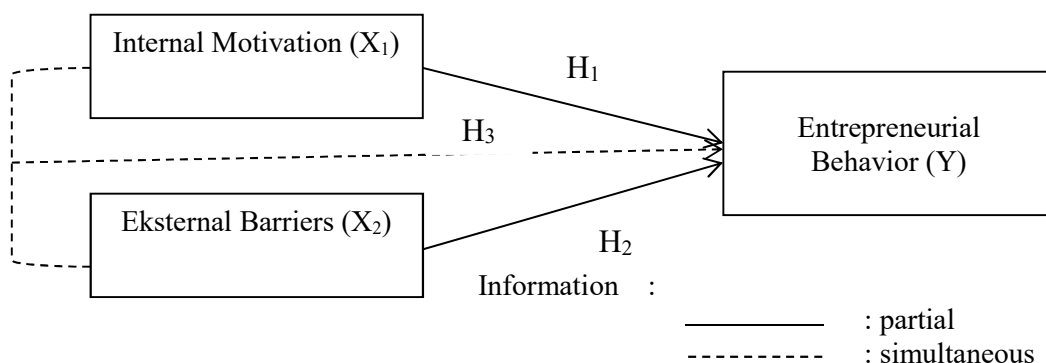


Figure 1. Research Framework (Source : Research Framework , 2025)

The analysis was conducted in several stages, namely, planning and preparing the instrument was the first step. This included conducting a literature review, formulating the problem and objectives, and creating a questionnaire based on relevant theories. To combine quantitative data with a qualitative context, the second stage was data collection. This was done through limited interviews with selected respondents and the use of an online questionnaire. The third stage included data processing and instrument reliability and validity tests were conducted using Cronbach's Alpha and Composite Reliability Indicators. Next, using SPSS, a path analysis was conducted to examine the direct relationship between variables with a multiple regression test (Sugiyono, 2021). In the fourth stage, the results and interpretations were made. It is hoped that this study will provide evidence on the creation of entrepreneurial strategies in higher education, particularly by building an entrepreneurial environment that supports motivation and helps students start their own businesses (Widayanti et al., 2023).

III. RESULTS AND DISCUSSIONS

The current state of student entrepreneurial behavior reveals that most students possess a strong internal motivation for entrepreneurship, particularly driven by their desire for independence and personal success. This intrinsic motivation characterized by the need for achievement and the desire to take control of their futures plays a significant role in fostering entrepreneurial intentions among students (Ridwan & Zaki, 2023). However, despite this internal motivation, students face several external obstacles that hinder the development of their entrepreneurial behavior. Key challenges include limited access to capital, insufficient practical experience, and a lack of support from both their social and academic environments. Additionally, difficulties in securing financial resources and a fear of failure are notable factors that prevent students from launching their own businesses (Noriska et al., 2025). While there is a high level of interest in entrepreneurship among students, many have yet to translate this interest into tangible actions, such as starting a small business or joining a business incubation program. This situation highlights an intention-action gap, emphasizing the crucial role of institutional support in promoting entrepreneurial behavior. The validity of these findings is illustrated in Table 1 below:

Table 1. Validity Test

Table 1: Validity Test				
Item	R _{count}	R _{table} (n=157)	Say.	Conclusion
X1				
1	1	0,1567	0,000	Valid
2	0,571	0,1567	0,000	
3	0,422	0,1567	0,000	
4	0,270	0,1567	0,001	
5	0,521	0,1567	0,000	
6	0,555	0,1567	0,000	
X2				
1	1	0,1567	0,000	Valid
2	0,603	0,1567	0,000	

3	0,230	0,1567	0,004	Valid
4	0,383	0,1567	0,000	
5	0,286	0,1567	0,000	
6	0,489	0,1567	0,000	
7	0,358	0,1567	0,000	
8	0,325	0,1567	0,000	
Y				
1	1	0,1567	0,000	
2	0,529	0,1567	0,000	Valid
3	0,548	0,1567	0,000	
4	0,565	0,1567	0,000	
5	0,479	0,1567	0,000	
6	0,518	0,1567	0,000	

Source : Validity Test, 2025

From table 1 of the Validity Test, it can be seen and concluded that each of the statement items has a calculated r value $> r$ table (0.1567), meaning that each of the statements is valid and is suitable for use as an instrument for collecting research data.

Table 2. Reliability Test

Variables	Statement Items	Cronbach's Alpha	Reliability Limits	Conclusion
X1	6	0,833	0,60	Reliable
X2	8	0,849	0,60	Reliable
Y	6	0,867	0,60	Reliable

Source : Reliability Test, 2025

Based on Table 2 of the Reliability Test, it can be seen and concluded that with the value *Cronbach's Alpha* of the three variables $>$ reliability limit (0.60) meaning that the three variables are reliable.

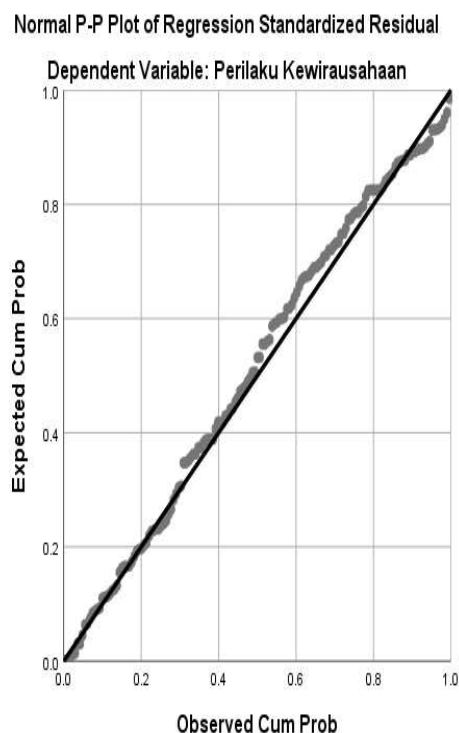


Figure 2. Normality Test (source : normality test, 2025)

In Figure 2, the normality test above shows that the data is distributed around the diagonal line. Therefore, it can be concluded that the regression model meets the normality assumption.

Table 3. Multicollinearity Test

Coefficients ^a								
Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.	Collinearity Statistics	
		B	Std. Error	Beta			Tolerance	VIF
1	(Constant)	5.634	2.610		2.159	.032		
	Internal Motivation	.620	.091	.484	6.789	.000	.953	1.049
	External Barriers	.057	.057	.071	.993	.322	.953	1.049

a. Dependent Variable: Entrepreneurial Behavior

Source : Multicollinearity Test, 2025.

From the results of table 3 of the Multicollinearity Test, it can be seen that the value of Internal Motivation Tolerance is 0.953 and External Barriers is 0.953, so it is known that Tolerance is > 0.01 . For the VIF value of Internal Motivation is 1.049 and External Barriers is 1.049, so the VIF value is < 10 . So from the results of the table data, it can be concluded and stated that there is no multicollinearity.

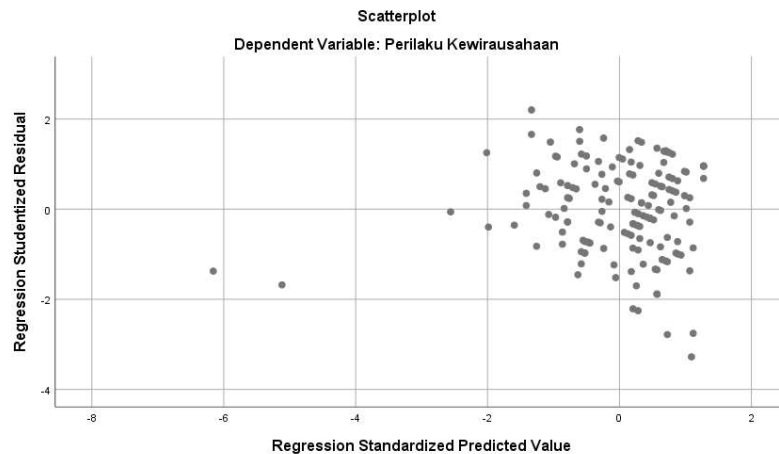


Figure 3. Heteroscedasticity Test (source : heteroscedasticity test, 2025)

In the results of Figure 3, the Heteroscedasticity Test can be seen and concluded that the points in the data image are spread upwards or downwards or around the number 0. The points in the image are not only gathered upwards or downwards and the data points are also not formed into a pattern that looks prominently widening then narrowing and then widening again. So it can be concluded and said that this study does not have a heteroscedasticity problem, so that a good and ideal regression model is obtained.

Table 4. t-Test Results

Variables	t_{count}	t_{table}	Say.
X1	6,789	1,975189	0,000
X2	0,993	1,980626	0,322

Source : . t-Test Results, 2025

From table 4 of the t-test results, the results can be seen, namely: 1) The value of the significance of Internal Motivation is $0.000 < 0.05$, so it is known and concluded that partially or individually the Internal Motivation variable has a significant and positive effect on Entrepreneurial Behavior. The value of the significance of External Barriers is $0.322 > 0.05$, so it is known and concluded that partially or individually the External Barriers variable does not have a significant and positive effect on Entrepreneurial Behavior.

Table 5. F Test Results

ANOVA ^a						
Model		Sum of Squares	df	Mean Square	F	Say.
1	Regression	730.051	2	365.025	26.234	.000 ^b

	Residual	2142.752	154	13.914		
	Total	2872.803	156			
a. Dependent Variable: Entrepreneurial Behavior						
b. Predictors: (Constant), External Barriers, Internal Motivation						

Source : F Test Results, 2025

From table 5, the results of the F test can be seen and concluded that the significance value is $0.000 < 0.05$, so it is obtained from the calculation results that it is proven that the Internal Motivation and External Barriers variables (X1 and X2) have a positive effect simultaneously or together on the Entrepreneurial Behavior variable (Y).

Table 6. Coefficient of Determination (R^2)

Model Summary ^b					
Model	R	R Square	Adjusted Square	R Std. Error of the Estimate	Durbin-Watson
1	.504 ^a	.254	.244	3.730	1.787
a. Predictors: (Constant), External Barriers, Internal Motivation					
b. Dependent Variable: Entrepreneurial Behavior					

Source : Coefficient of Determination (R^2), 2025

According to Table 6, the coefficient of determination (R^2) shows that the combined influence of Internal Motivation and External Barriers on Entrepreneurial Behavior is 0.254, which equates to 25.4%. This means that the impact of these two variables on Entrepreneurial Behavior accounts for 25.4% of the variability, while the remaining 74.6% is influenced by other factors. The simultaneous effect of both Internal Motivation and External Barriers has a significant and positive impact on Entrepreneurial Behavior, as indicated by a significant value of 0.000, which is less than 0.05.

In partial or individual influence, the Internal Motivation variable with a significance of $0.000 < 0.05$ has a significant and positive effect on Entrepreneurial Behavior. Meanwhile, for the External Barriers variable, a significance of $0.322 > 0.05$ is obtained, so it does not have a significant and positive effect on Entrepreneurial Behavior. This finding indicates that factors originating from within the individual, such as the desire for independence, the drive to achieve, self-confidence, and the courage to take risks, have a greater contribution in shaping entrepreneurial behavior compared to external factors such as limited capital, social support, or market access.

In the context of students, this means that despite facing various external limitations, strong internal motivational factors can encourage them to continue exhibiting entrepreneurial behavior. An internal locus of control, which reflects a sense of self-motivation, has a positive and significant influence on business performance. In contrast, an external locus of control does not significantly affect the performance of micro-entrepreneurs in Indonesia. This indicates that internal orientation and self-confidence are more critical than any external obstacles they may encounter (Purbasari et al., 2025) ;Vera et al., 2024;Setiaji, 2018).

On the other hand, external barriers such as limited capital, lack of family support, and fear of failure were found to have no significant effect on students' entrepreneurial behavior, where institutional support and external resources are not always the main determinants of students' entrepreneurial behavior if internal motivational factors are strong. Students who have high self-efficacy tend to be able to find creative solutions to overcome the external barriers they face (Vera et al., 2024).

The university environment does play a supporting role, but it's not strong enough without the students' own internal motivation. In other words, the external environment serves only as a catalyst, not a primary determinant. The primary strength of students' entrepreneurial behavior lies in internal motivation, which fosters a positive mindset, self-confidence, and persistence to innovate. Meanwhile, external obstacles such as limited capital and social support serve only as challenges that can be minimized through creativity and adaptive strategies.

IV. CONCLUSION

Based on the research results, it can be concluded that internal motivation has a positive and significant influence on students' entrepreneurial behavior, while external obstacles do not have a significant effect. These findings suggest that students' entrepreneurial behavior is largely driven by internal psychological factors, such as the desire for independence, the drive to achieve, confidence in their abilities, and the courage to take risks in uncertain business environments. Students with high internal motivation tend to show initiative, creativity, and perseverance in exploring new business opportunities, even when faced with various external constraints. In contrast, external obstacles—such as limited capital, minimal family support, and restricted market access—do not significantly impact the entrepreneurial behavior of these students. This implies that students with strong determination and intrinsic motivation can overcome these barriers by employing innovative strategies, such as leveraging digital technology, building social networks, and engaging in business collaborations. In other words, external obstacles are not major hindrances for individuals who possess a strong commitment and drive to become entrepreneurs. It is recommended to broaden the scope of future studies by incorporating new variables, such as social support, creativity, or entrepreneurial experience. Additionally, utilizing a longitudinal design would help monitor changes in students' entrepreneurial behavior over time. Cross-cultural research could also be valuable in examining the differences in the influences of motivations and barriers across various social contexts.

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