Innovative Behavior Moderates the Effect of Self Efficacy and Creativity

Rasyida Izzah¹, Kustini Kustini²*

¹Student, Faculty Economic and Business, Universitas Pembangunan Nasional “Veteran” Jawa Timur
²Associate Professor, Faculty Economic and Business, Universitas Pembangunan Nasional “Veteran” Jawa Timur
*Corresponding Author

Abstract
The purpose of this research is to examine how students in the management program at UPN “Veteran” Jawa Timur perceive their level of self-efficacy and creativity concerning their interest in entrepreneurship, with creative behavior being considered as an intervening variable. The methodology employed in this study is descriptive statistics. The study's population consisted of a total of 1309 undergraduates enrolled in a Bachelor of Management degree program. Stratified random sampling was utilized as the sampling method for this investigation. The sample included three students from 2017, six from 2018, twenty-six from 2019, twenty-five from 2020, and thirty-three from 2021, all of whom had completed basic business and entrepreneurship courses. To analyze the data, the SEM-PLS (Partial Least Squares) approach was employed. The results of this study indicate that self-efficacy, creativity, and innovative behavior have an impact on entrepreneurial interest.

Keywords: Self Efficacy, Creativity, Innovative Behavior, Entrepreneurial Interest

Introduction
Indonesia is not singular in grappling with the difficulties of addressing the issue of unemployment. The Central Statistics Agency (BPS) has reported a notably elevated rate of unemployment in Indonesia for the year 2022, as indicated on their official website. Enhancing entrepreneurship can assist Indonesia in combating unemployment and bolstering the economy. In this digital era, social media can significantly facilitate individuals who are just starting their entrepreneurial ventures. On social media, individuals have the liberty to engage in creative endeavors to captivate the attention of potential buyers. The utilization of social media for promotional purposes has emerged as a notably facile method to market both products and services within the digital age. Nevertheless, in this fiercely competitive era, prospective entrepreneurs must exhibit a profound sense of self-efficacy and cultivate a heightened level of creativity to effectively contend with their counterparts in the entrepreneurial landscape. The survey results conducted by CSIS (Centre for Strategic and International Studies) in 2022, organized by the Ministry of Cooperatives and Small and Medium Enterprises, stated that 70% of young people aspire to become entrepreneurs. Entrepreneurship plays a crucial role in the business and economic landscape. Moreover, recently, both the government and intellectuals have strongly supported the importance of entrepreneurship among students. The Indonesian government is highly supportive of the emergence of new entrepreneurs from the student community. This is evidenced by an increasing
number of universities in Indonesia encouraging their students to embark on entrepreneurial ventures. With the growing support from universities to promote entrepreneurship among their students, the sense of self-efficacy among students will likely increase, motivating them to start their entrepreneurial journeys.

Students who possess high self-efficacy will be capable of self-assessment and will have confidence in their own abilities. By critically observing and thinking, they will be motivated to take entrepreneurial steps by identifying opportunities. Instilling an entrepreneurial mindset in students can help them develop their own ideas and become more independent. Creative actions can also aid in the development of new job opportunities. With an increasing number of college graduates each year, not all of them will secure traditional employment. Consequently, students may gain a better understanding of the value of entrepreneurship as a result.

However, efforts to foster entrepreneurial interest among students face several obstacles. One of the main reasons is that many students are still oriented towards seeking employment after graduation rather than creating job opportunities. Upon completing their degrees, a majority of students are more inclined to work for others rather than starting their own businesses. According to the research conducted by Oktaviana & Umami (2018), being an employee is considered more practical and enjoyable than being an entrepreneur. Creativity, similar to self-efficacy, may influence the desire to start a business. Journal articles by Murniati (2019) and Laksono (2022) indicate a relationship between students' imagination and their inclination to venture independently. This is consistent with the findings of Wulandari's research (2018), which discovered that entrepreneurial enthusiasm among students increased when their creativity was applied to students in the Commerce class of the 11th grade at SMKN 1 Kota Jambi. However, in the study conducted by Michail Marcopolo, Dr. Rina Anindita, S.E., (2022), the results show that creativity does not have a significant effect on entrepreneurial intention. Winda Novariana & Andrianto (2020) stated in their journal that there is a direct relationship between innovative behavior and entrepreneurial intention. Norena-Chavez (2020) found that innovative behavior significantly influences an individual's entrepreneurial interest.

According to the journal presented by Pamungkas (2017), self-efficacy has a direct influence on entrepreneurial intention. Meanwhile, Purwanty's research (2022) reveals that creativity has a more dominant influence on entrepreneurial intention compared to venture capital. Permatasari (2020) states that there is a positive and significant relationship between self-efficacy and innovative behavior. Chen et al. (2022) also found a connection between creativity and innovative behavior in their study. The research conducted by Michail Marcopolo, Dr. Rina Anindita, S.E. (2022) states that creativity does not have a significant effect on entrepreneurial intention, while emotional intelligence and innovative behavior do influence entrepreneurial intention. However, the study by Maryanti & Thamrin (2020), which examines factors influencing entrepreneurial interest, shows that innovative behavior has a negative effect on entrepreneurial intention. Therefore, this research aims to explore the relationship between self-efficacy and creativity concerning entrepreneurial intention, supported by innovative behavior, which represents the novelty of this study.

**Literature Summary**

**Self Efficacy**

Attitudes, subjective norms, and personal control or self-efficacy are three key aspects in the desire to become an entrepreneur, as outlined by the Theory of Planned Behavior (Chrismardani, 2016). Self-
efficacy is defined as an individual's belief in their own ability to perform specific activities or achieve particular goals (Omrod, 2008:20, cited in Evalina, 2015). Meanwhile, self-efficacy is defined as an individual's belief in their ability to successfully complete tasks and achieve desired outcomes (Damayantie & Kustini, 2022). According to Omrod (2008) in Moma (2014), self-efficacy can be influenced by a person's previous experiences with a task, feedback from others, and the accomplishments and failures of others. Gaddam (2008), citing Yanti (2019), identifies four indicators of business self-efficacy: business intelligence, confidence in one's managerial abilities, entrepreneurial trust, and human resource leadership. These factors play crucial roles in shaping individuals' readiness and capability to embark on entrepreneurial endeavors.

**Creativity**
Creativity is the ability to conceive and implement novel solutions to problems and identify potential opportunities for application (Lina, 2015). As defined by Ru'iya (2018)in Laksono work (2022), creativity is the capacity to combine something new acquired from an individual's cognitive processes. Several important aspects of creative thinking, according to Guildford in (Muharwati's study (2014), include fluent thinking, flexible thinking, elaboration of thoughts, and originality in thinking. The indicators of creativity, as stated by Hidayati (2014:33) in the journal presented by Nurfadilah & Irawati (2021), are being daring in taking risks, seeking solutions, being flexible, optimistic, imaginative, and curious.

**Innovative Behavior**
According to Nurfadilah & Irawati (2021), creative behavior is the development, dissemination, and application of new ideas or concepts in the context of work, teams, or organizations with the aim of improving individual, team, or institutional effectiveness. Individual inventive actions that result in something novel and beneficial at all levels of the company are referred to as "innovative behavior," as defined by Kleysen, R. F. & Street (2011) in.Hidayat (2018). In Astuti (2019), the indicators proposed by George and Zhou (201) are used to measure innovative behavior. These indicators include: discovering new technologies, processes, techniques, and ideas; generating creative ideas; sharing these ideas with others; providing resources to implement new ideas; and developing strategies to implement new ideas.

**Entrepreneurial Interest**
Entrepreneurial interest refers to the attraction to create a business using one's abilities and being willing to take risks (Evalina, 2015). According to Ayuni & Kustini (2020), individuals who exhibit entrepreneurial curiosity are those who are willing to make significant efforts in pursuing entrepreneurial opportunities. According to Harun in Purwanty (2022), indicators of entrepreneurial interest include making choices of activities, feeling interested in entrepreneurship, experiencing joy in entrepreneurship, and being courageous in taking risks.

**Research Method**
This study is a qualitative research with two independent variables, namely Self-Efficacy (X1) and Creativity (X2), a latent variable Entrepreneurial Interest (Y), and Innovative Behavior (Z) as an intervening variable. The data collection method used in this research is primary data, which is collected
through questionnaires distributed to the respondents, who are students in the undergraduate Management program at UPN "Veteran" Jawa Timur from the 2017, 2018, 2019, 2020, and 2021 cohorts who have taken the introductory business and entrepreneurship course. The questionnaire questions are based on several indicators used for each variable. The indicators used for the self-efficacy variable according to Yanti (2019) are: 1) mental maturity in business, 2) confidence in managing a business, 3) feeling capable of starting a business, and 4) human resource leadership. The indicators for creativity according to Nurfadilah & Irawati (2021) are: 1) willingness to take risks, 2) seeking solutions, 3) being flexible, 4) optimism, 5) imagination, and 6) curiosity. The indicators for entrepreneurial interest according to Harun as cited in Purwanty (2022) are: 1) making choices of activities, 2) feeling interested in entrepreneurship, and 3) feeling happy about entrepreneurship. The indicators for innovative behavior according to Astuti (2019) are: 1) seeking new technologies, processes, techniques, and ideas, 2) promoting ideas to others, and 3) developing plans to realize new ideas. The population in this research consists of active students in the undergraduate Management program at the Faculty of Economics and Business, UPN "Veteran" Jawa Timur totaling 1309 students. The sample used in this study was determined using the Slovin formula. The number of respondents from active students in the undergraduate Management program is as follows: 3 students from the 2017 batch, 6 students from the 2018 batch, 26 students from the 2019 batch, 25 students from the 2020 batch, and 33 students from the 2021 batch.

![Figure 1 Basic Frame Work Diagram for Self efficacy, Creativity, Innovative Behavior, and Entrepreneurial Interest](image)

### Result and Discussion

Table 1 The Result of Path Coefficient

| Model                        | Original Sample (O) | Sample Mean (M) | Standard Deviation (STDEV) | T Statistics (|O/STDEV|) | P Values |
|------------------------------|---------------------|-----------------|-----------------------------|-------------------------|----------|
| Self-Efficacy Interest - > Entrepreneurial Interest | 0.255               | 0.269           | 0.093                       | 2.741                   | 0.006    |
Creativity -> Entrepreneurial Interest  0.146  0.143  0.050  2.906  0.004
Self-Efficacy -> Innovative Behavior  0.657  0.660  0.085  7.722  0.000
Creativity -> Innovative Behavior  0.286  0.282  0.088  3.250  0.001
Innovative Behavior -> Entrepreneurial Interest  0.594  0.581  0.082  7.283  0.000
Self-Efficacy -> Innovative Behavior - > Entrepreneurial Interest  0.390  0.381  0.062  6.244  0.000
Creativity -> Innovative Behavior -> Entrepreneurial Interest  0.170  0.166  0.060  2.811  0.005

The Influence of Self-Efficacy on Entrepreneurial Interest among Management Undergraduate Students at UPN "Veteran" Jawa Timur

The findings of this research support the hypothesis that self-efficacy among Management students at UPN "Veteran" Jawa Timur has a positive and statistically significant influence on entrepreneurial interest. This indicates that Management students at UPN "Veteran" Jawa Timur are more likely to have an interest in starting their own businesses if they have a high level of self-efficacy. Aieny (2020) found a substantial and positive relationship between students' self-efficacy and their intentions to start their own businesses, providing confidence in the findings of this research. The analysis of the self-efficacy variable indicates that students' belief in their own abilities can indeed increase their entrepreneurial interest. Therefore, it can be said that for students to have high self-efficacy, they must believe in their ability to manage their businesses. If a student lacks confidence in their ability to manage a business, they will find it difficult to start their entrepreneurial journey. Previous works by Farida & Nurkhin (2016) reinforce the findings of this research, indicating that self-efficacy influences the motivation to start a business. It has been demonstrated that a student's desire to start their own business after graduation can be strongly influenced by their level of self-efficacy. Consistent with the findings of Jailani (2017), Lina (2020), and Weni (2019), self-efficacy has been shown to significantly and positively affect individuals' entrepreneurial motivation.

The Influence of Creativity on Entrepreneurial Interest among Management Undergraduate Students at UPN "Veteran" Jawa Timur

The findings of this research support the hypothesis that Management students at UPN "Veteran" Jawa Timur are more likely to become entrepreneurs if they are creative. This indicates that UPN "Veteran" Jawa Timur students have a tendency to be interested in starting their own businesses due to their high level of inventiveness. Michail Marcopolo, Dr. Rina Anindita, S.E (2022) did not find a correlation between creativity and the desire to start a business; therefore, the findings of this research contradict their study. This study demonstrates how inspiration from the arts can inspire new business owners. High student originality helps increase their enthusiasm to start their own businesses. With high student creativity, it is expected that students will be able to generate imaginative and creative ideas that they can apply to their future businesses. If students lack the ability to imagine and come up with creative ideas, they may struggle to foster entrepreneurial interest. Research conducted by Wulandari (2018), Oktaviana & Umami (2018), Purwanty (2022), Permatasari (2020), and Irvan & Tato (2022) showed that creativity has a significant influence on entrepreneurial interest. Thus, it is evident that students capable of generating creative ideas will have a significant impact on their entrepreneurial interest after completing their studies.
The Influence of Self-Efficacy on Innovative Behavior among Management Undergraduate Students at UPN "Veteran" Jawa Timur.

Management students at UPN "Veteran" Jawa Timur can conclude, based on the findings of hypothesis testing, that self-efficacy has a positive and substantial influence on innovative behavior. The innovative behavior of students in the Management undergraduate program at UPN "Veteran" Jawa Timur has been proven to increase when students have high levels of self-efficacy. The findings of this research are in contrast to a previous study analyzed by Wardhani (2017), which found that self-efficacy does not influence innovative behavior.

High levels of self-confidence are shown to encourage students' creative actions in this study. Students will be more willing to try new things if they believe in their ability to do so, and this self-confidence stems from a strong sense of self-efficacy. When someone exhibits a high level of innovative behavior, it indicates that they have great confidence in their capacity to produce creative solutions to more complex problems. When individuals have belief in themselves, they are more likely to discover creative solutions to challenges, which can ultimately lead to professional or financial success. Students with strong self-efficacy beliefs in their abilities can generate viable business ideas by learning more about the technology that will be used to implement novel problem-solving approaches. According to the literature analysis by Prayoga and Laily (2022), women who believe in their own abilities to succeed in business are more likely to engage in creative problem-solving. Similar findings were discovered by Permatasari (2020) and Permana & Rusmana (2022), indicating a positive and substantial relationship between self-efficacy factors and the variable of innovative behavior.

The Influence of Creativity on Innovative Behavior among Management Undergraduate Students at UPN "Veteran" Jawa Timur.

The results of the hypothesis test examining the relationship between creativity and innovative behavior among UPN "Veteran" Management students in Jawa Timur support this conclusion. This indicates that students in the Management program at UPN "Veteran" are more inclined to engage in novel approaches to start businesses due to their high level of imagination. The findings of this research corroborate prior studies conducted by Chen (2022), who argued that innovative behavior is influenced by creativity. This study demonstrates that encouraging individuals to be creative can enhance their innovative behavior.

The high level of creativity possessed by students has been found to enhance their innovative behavior in starting entrepreneurial ventures. Creating new products from creative ideas can lead to innovative behavior among students. With high creativity, students are capable of developing new ideas to solve problems and discover opportunities. Creativity has been shown to enhance innovative behavior among students by fostering the creation of new products through creative ideas, identifying suitable business trends to pursue, and the ability to adapt to all changes in entrepreneurship. With high levels of creativity, individuals will discover new and more appealing ideas that provide fresh innovations in the business world.

The findings of this research corroborate Amalya (2019) assertion that creative individuals are more likely to engage in creative activities. Jodi's study (2018) found that creative individuals are more inclined to participate in novel actions. The results of this research support Irvan & Tato (2022) conclusion that innovative activities have a positive correlation with creative thinking.
The Influence of Innovative Behavior on Entrepreneurial Interest among Management Undergraduate Students at UPN "Veteran" Jawa Timur.

Management students at UPN "Veteran" Jawa Timur who exhibit innovative behavior are more inclined to be interested in starting their own businesses, as indicated by the results of this hypothesis testing. This demonstrates a high level of creativity and entrepreneurial curiosity among UPN "Veteran" Management students in Jawa Timur. This research supports the findings of Fety Puja Amelia (2018), who discovered that creative actions can trigger a desire for business ownership. The study shows that students' curiosity in entrepreneurship can be sparked by creative actions.

Students in the Bachelor of Management program at UPN "Veteran" Jawa Timur, when observed based on the indicators of innovative behavior, mostly exhibit good innovative behavior, although there are still some who show less satisfactory behavior. This indicates that there are still students who are not comfortable discussing their creative ideas with others. Moreover, many students enjoy seeking out the latest technology to create entrepreneurship opportunities and developing well-organized plans to realize their desired entrepreneurial ventures. The emergence of innovative behavior among students towards entrepreneurial interest will lead them to remain confident in their ability to create businesses that are up-to-date and always in line with the times. The findings of this study are supported by research conducted by Fadilla Helmi (2011), Michail Marcopolo (2021), and Winda Novariana & Andrianto (2020), which demonstrate the influence of innovative behavior on women's entrepreneurial interest. These studies indicate a direct relationship between innovative behavior and entrepreneurial interest.

The Indirect Influence of Self-Efficacy on Entrepreneurial Interest of Management Undergraduate Students at UPN "Veteran" Jawa Timur through Innovative Behavior as an Intervening Variable

Students in the Bachelor of Management program who are also involved in creative activities demonstrate a substantial positive relationship between self-efficacy and their interest in entrepreneurship. From the analysis of the description of the indicators of belief in the ability to manage a business in the self-efficacy variable, it is evident that students are confident in their ability to manage their entrepreneurship in the future. Furthermore, self-efficacy is also required to realize innovative behavior as a form of support that ultimately indirectly influences entrepreneurial interest.

A sense of self-efficacy must be supported by high levels of innovative behavior to enhance entrepreneurial interest. Someone who has confidence in their ability to start a business but is not supported by innovative behavioral actions will not realize their desire to become an entrepreneur. This is supported by research presented by Yentisna & Alfin Alvian (2021), which states that belief in one's high self-efficacy can be realized through innovative behavior, thereby increasing confidence in creating new entrepreneurship ventures.

The Influence of Creativity on Entrepreneurial Interest of Management Undergraduate Students at UPN "Veteran" Jawa Timur through Innovative Behavior as an Intervening Variable.

Management students who exhibit innovative behavior have a significantly higher tendency to be creative, and this tendency, in turn, enhances their enthusiasm for entrepreneurship. From the analysis of the description of the imagination indicators in the creativity variable, it is evident that students believe they can develop businesses by creating new products from their creative ideas. Furthermore, creativity
is also required in realizing innovative behavior as a form of support that ultimately indirectly influences entrepreneurial interest.

Creativity must be supported by high levels of innovative behavior to enhance entrepreneurial interest. Someone with high creativity will have creative ideas that can be manifested through innovative behavior to start a business. This is supported by research presented by Fadilla Helmi (2011), which states that there are creativity programs for students in community service fields that are applied in sustainable business practices.

**Conclusions**
From the collected data, it can be concluded that with a sense of belief in their ability to manage a business, high imagination, and promoting creative ideas to others can enhance the entrepreneurial interest of UPN "Veteran" Jawa Timur students. It is expected that in the future, an increasing number of students in the undergraduate Management program at UPN "Veteran" Jawa Timur will possess a strong sense of self-esteem, enabling them to think uniquely and generate new business opportunities supported by their innovative attitudes and actions.

**References**


