# THE INFLUENCE OF SOCIAL CAPITAL AND PSYCHOLOGY CAPITAL ON ENTREPRENEURIAL INTENTION WITH ENTREPRENEURIAL ORIENTATION AS A MEDIATING VARIABLE

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#### **ABSTRACT**

Business growth relies significantly on entrepreneurial intention, influenced by attitudes. However, limited research has explored the dynamic interplay of social and psychological capital in shaping these intentions. This study aims to establish the link between social and psychological capital and entrepreneurial intention, with a focus on the mediating role of entrepreneurial orientation. Quantitative methods were employed, collecting data via online questionnaires from 101 vocational education students at MAN 1 Bukittinggi. Structural Equation Modeling (SEM) with Smart PLS was used for analysis. The results indicate that social and psychological capital alone did not significantly impact entrepreneurial intentions but significantly affected entrepreneurial orientation, which, in turn, influenced entrepreneurial intentions. Entrepreneurial orientation mediated the relationship between social and psychological capital and entrepreneurial intentions effectively, with an R-Square value of 0.400. These findings enhance educators' understanding of how entrepreneurial intent in students is shaped by entrepreneurial orientation, acting as an intermediary between social and psychological capital. This research provides a foundation for schools to design more effective entrepreneurship programs, emphasizing the development of students' entrepreneurial intentions through guidance encompassing social and psychological capital, entrepreneurial orientation, and other pertinent factors.

Keywords: Social Capital, Psychology Capital, Entrepreneurial Intention, Entrepreneurial Orientation

## **INTRODUCTION**

Education in Indonesia has not reached its maximum point in an effort deliver students to achieve their goals. Education in Indonesia has not yet reached its maximum point because there are many schools that do not have adequate quality

standards, teachers who are less qualified, and a curriculum that may not always be relevant to real world needs. This can also be caused by the low competency of graduates so that work readiness has not been met as expected (Pratomo, 2022).

Table 1. Open Unemployment According to Highest Education Completed

	2020		2021		2022
Completed Highest Education	February	August	February	August	February
No/never attended school	35,761	31,379	20,461	23 905	24 852
No/have not finished elementary school	346,778	428,813	342,734	431 329	437 819
SD	1,006,744	1,410,537	1,219,494	1 393 492	1 230 914
junior high school	1,251,352	1,621,518	1,515,089	1 604 448	1 460 221
General High School / High School	1,748,834	2,662,444	2,305,093	2 472 859	2 251 558
Vocational High School / Vocational High School	1,443,522	2,326,599	2,089,137	2 111 338	1 876 661
Academy/Diploma	267,583	305,261	254,457	216 024	235 359
University	824,912	981,203	999,543	848 657	884 769
Total	6,925,486	9,767,754	8,746,008	9 102 052	8 402 153

Source: BPS, 2023

Based on the table above, the number of unemployed at the general high school level and vocational high school have the unemployment rate each year. So that the Indonesian government seeks to increase students' intentions to become entrepreneurs through various programs to encourage entrepreneurship in the including student entrepreneurship future, programs, vocational entrepreneurship programs, vocational business incubation programs, and empowerment economic Vocational education was chosen as a target by considering its essence in equipping students with work competencies, so it is highly relevant to the program (Triyono et al., 2023).

Vocational education at Madrasah Aliyah is a plus, because the incorporation of Islamic religious knowledge with the expertise competencies possessed by alumni gives a new color to the next generation of the nation, namely creating an Islamic generation that is able to compete with technological and industrial developments, so that the government has targeted economic growth. maximally realized.

The Indonesian government pays special attention to the implementation of entrepreneurship education in vocational education (Wiratno, 2012), the aim is to prepare graduates to start new creative businesses. Scholars have shown that intention plays an important role in the decision to start a new entrepreneurial activity (Barba-Sánchez & Atienza-Sahuquillo, 2018), and have highlighted importance of attitudinal. social psychological aspects in developing entrepreneurial intentions (Ajzen, 2011; Ghani, Hooshangi, & Hassan, 2013). However, to date, there has been little understanding of the antecedent factors needed to develop successful entrepreneurial intentions among vocational students. In particular, little is known about how the hierarchical structure of antecedent factors including attitudinal, social, and psychological factors combine to drive entrepreneurial intentions in vocational education.

The development of entrepreneurial intention is an important issue of entrepreneurship if it is to provide a solution to the reaction problem. Therefore, it is very important to establish a mechanism for developing an entrepreneurial spirit in the vocational education of students at Madrasah Aliyah (Mahfud et al., 2020). The theory of planned behavior (TPB) stipulates that human behavior is planned in anticipation of possible consequences (Fayolle and Liñán, 2014; Westhead and Solesvik, 2016). Therefore, the decision to become an entrepreneur is voluntary (Cheng &

Liao, 2017). Santoset al. (2016) further showed that entrepreneurial intention increases with the perception that entrepreneurial careers are valued in society as a consequence of macro-social values and beliefs. Then it can be said that entrepreneurial intention will increase with the perception that such efforts are valued (desired) socially. It can be said that, entrepreneurial intention may be higher when students feel that those who are already involved enjoy respect and high social status (Valliere and Gedeon, 2015).

Several studies in the last three years have analyzed the importance of embedded social capital in academics. They highlight social and environmental conditions as a basis for stimulating students to behave like entrepreneurs. In addition, they also agreed and believed that the growing desire and determination to do entrepreneurship in students could not be separated from the social conditions they had. As reported, social capital acts as a social investment in the form of values that support and strengthen one's determination to make decisions (Cohen et al., 2019). In addition to social capital factors, previous research has highlighted psychological capital factors, which have become a new paradigm that triggers personality growth and intention from within (Ephrem et al., 2019). Although not many have researched this factor in entrepreneurship, its essence is very basic for forming entrepreneurial orientation and intentions. Research in several countries determines that psychological conditions can encourage someone to develop entrepreneurial behavior.

As Sebora (2017) argues, the intention to start a business depends on individual psychological capital. **Important** psychological capital ingredients, for those who will become entrepreneurs, include self-efficacy, optimism, hope, and resilience (Wernsing, 2014). The effect of self-efficacy (perceived behavioral control) on entrepreneurial intention is well documented (Bae, al., 2014); (Solesvik, 2017). Previous studies also reported a strong positive correlation between attitudes and intentions (Byabashaija and Katono, 2011). Previous research implies that entrepreneurial intention is positively driven by optimism which is the hope that a career in entrepreneurship will produce good results. In addition, the resilience of the capacity to bounce back from negative experiences can encourage entrepreneurial intention (Reuel Johnmark et al., 2016). However, the construct of expectations is seen as a state of individuals looking to the future by setting high goals and finding strategies to achieve them (Luthans, 2011).

Most of the previous studies (Esfandiar et al., 2019); (Nabi et al., 2017) who apply TPB do not refer to psychological capital as an antecedent of entrepreneurial intention. This study, with inspiration from (Contreras et al., 2017) and Sebora (2017), highlight the importance of psychological capital in explaining why some students are more willing to start businesses than others. Indeed, the higher the psychological capital, the higher the intention to start a business. Psychological capital alone predicts 10,2 percent of the variation in entrepreneurial intention. Interestingly, psychological capital can be developed (Wang et al., 2014). Therefore, it can be said that to cultivate entrepreneurs by focusing on increasing their confidence, optimism, hope, and resilience will help students to overcome their fear and hesitation to embrace entrepreneurship as a career choice. Other factors such as entrepreneurial orientation significantly related to entrepreneurial intentions (Do & Dadvari, 2017). Meanwhile, other antecedents, such as social capital, also play an important role in shaping entrepreneurial intentions (Linán & Santos, 2007). Also, psychological capital is a strong predictor of successful entrepreneurship (Jin, 2017) and is positively related to entrepreneurial intention (Ghani et al., 2013). These findings show, theoretically and empirically, that psychological capital is positively related to increased performance and positive attitudes.

Instilling a strong entrepreneurial orientation and entrepreneurial intention in students is determined by various fundamental factors that influence it. MAN 1 Bukittinggi has implemented vocational education, such as: electrical skills, fashion education, welding techniques, motorcycle servicing, multimedia and PPHP skills. In reality it shows that madrasas have maximized their role in fostering vocational skills. However, to market work products made by students there are still obstacles. Guidance to train students' entrepreneurial spirit can be carried out from the madrasa bench (Alamsyah, 2022).

In many developing countries, entrepreneurship is put forward as a solution to unemployment (Dissanayake, 2013). One of the direct results expected from entrepreneurship education is positive entrepreneurial attitudes and intentions (Liñán & Alain, 2015). In Indonesia, entrepreneurship has been introduced with the hope of increasing entrepreneurial intention among students. However, anecdotal evidence suggests that only a few of these students become entrepreneurs. This seems to indicate that in order

to understand what drives these inconsistencies, this research examines the role of social capital and psychological capital in predicting entrepreneurial intention. The contribution of these two variables in explaining the level of entrepreneurial intention evident because previous research entrepreneurship shows that entrepreneurs different from non-entrepreneurs in terms of their psychology (Alonso-Galicia et al., 2015). The aims of this study are: to examine the relationship between social capital and psychological capital on entrepreneurial intention and to examine the mediating role of entrepreneurial orientation in the relationship between social capital psychological capital on entrepreneurial intention. The entrepreneurial orientation variable is placed as a mediating variable in this research because theoretically, entrepreneurial orientation refers to a person's attitudes, values, and willingness to become an entrepreneur or businessman. In the context of vocational education, entrepreneurial orientation is very relevant because the main goal of vocational education is to prepare students for the world of work. Entrepreneurial orientation can be seen as a mechanism that students use to transform the advantages and disadvantages of the external environment into opportunities for innovation and growth (Mansouri et al., 2022). Entrepreneurial orientation is associated with knowledge creation processes, innovation, and exploratory and exploitative innovations, all of which are seen as mediating variables between Entrepreneurial orientation and entrepreneurial intentions (Kollmann & Stöckmann, 2012). Examining this relationship is important because it offers a new perspective to understand the role of social capital and psychological capital in entrepreneurship education. This study provides three major contributions. First, highlighting the mediating role of entrepreneurial orientation in social capital and procological capital. Second, examining the effect of social capital and psychological capital on entrepreneurial intention with different objects. Third, it provides cues about what entrepreneurship educators should consider when they recruit and train students. In particular, this study highlights the importance of students' social capital and positive social norms in turning entrepreneurship education into intention.

## **Entrepreneurial Intention**

Intention is a person's willingness to take action or achieve certain goals (Salisu, 2020). Entrepreneurs are drivers of innovation, change and economic progress. According to (Nguyen, 2018) Entrepreneurial intention is the search for

information that can be used to achieve the goal of establishing a business. In general, entrepreneurial intention is the awareness and conviction of someone who starts a new business and plans to do so in the future (Nguyen, 2018). Opinion (Sifa Farida, Partono Thomas, 2020) entrepreneurial intention is the desire, interest, and willingness of individuals to work hard with their ideas or a strong will to meet their needs, not afraid of future risks, accept challenges, confident, creative and innovative and the ability and skills to satisfy needs.

The factors that cause this intention must be understood first. Theory of Planned Behavior (TPB) reveals that the intention to behave is determined by three aspects, namely (a) attitudes towards behavior, (b) perceived behavioral control and (c) subjective norms (Ajzen, 2011). Another theory that is often used to predict entrepreneurial intentions is the Entrepreneurial Event Model (EEM) (Shapero & Sokol, 1982). Similar to the TPB, the EEM model offers three antecedents to predict entrepreneurial intention consisting of perceived desire, perceived feasibility propensity to act. Both of these theories have made significant contributions the to study entrepreneurial intention, and they are related and have similarities. Based on these two models, TPB and EEM, it can be seen that the antecedents of entrepreneurial intentions consist of three factors: attitudinal, social, and psychological dimensions.

## **Sosial Capital**

Social capital is the level of altruistic tendencies and the level of mutual trust between people in a community (Guiso, Sapienza, & Zingales, 2004). In both cases, social capital is formed and conceptualized through social relations (Seibert, Kraimer, & Liden, 2013). Thus, social capital is the value obtained by individuals through social interaction to develop their social capacity. Individuals with high social capital tend to be more trustworthy, more cooperative, and less selfcentered (Hasan et al., 2017). Social capital plays an important role in shaping entrepreneurial intentions (Linán & Santos, 2007). In several studies, scholars consider social capital as a valuable resource that opens access to various such finance. resources as market information, and customers (Sengupta, 2010). In the context of education, students' social capital is formed through social interaction in the school environment, such as with lecturers, friends, and parents. Previous research has described social capital with the characteristics of school cohesion, school friendship, social cohesion, and trust (Paiva et al., 2014). Chia and Liang (2016) investigated the effect of creativity and social capital on entrepreneurial intentions in 213 tourism students in metropolitan areas, revealing that creativity and social capital are important factors in developing entrepreneurial intentions.

## **Psychology Capital**

The state of individual growth with a positive psychology is characterized by four psychological attributes: self-efficacy, optimism, hope, and resilience is psychological Capital (PsyCap) (Cavus & Kapusuz, 2015). Psychological capital is a construct that was first adopted in the workplace to symbolize positive psychology (Wang at, al., 2014). It consists of psychological abilities capable of being managed, measured and developed in improving performance (Kangarlouei 2012; Wernsing, 2014). al., Positive psychological constructs that have determined to define and meet positive psychology inclusion criteria well include self-efficacy, optimism, hope and resilience (Baron et al., 2016; Luthans, 2011). Psychological capital is a strong predictor of successful entrepreneurship (Jin, 2017) and positively related to entrepreneurial intention (Ghani et al., 2013). Sebora's research (2017) supports a positive relationship between psychological capital and entrepreneurial intention. This study further shows that psychological capital alone accounts for 31.4 percent of the variance of entrepreneurial intention. Downloaded University of Southern Queensland At 03:16 06 May 2019 (PT) The positive relationship between psychological capital and entrepreneurial intention can be justified for the following reasons. First, students who are confident will believe in their ability to succeed in carrying out entrepreneurial behavior (Solesvik, 2017). Second, optimistic students can recognize others who see chaos, contradiction, and confusion through business opportunities (Wernsing, 2014). Third, the hope dimension helps them take advantage of these opportunities by setting high goals that they believe they can achieve because they can see the path to achievement (Kangarlouei et al., 2012). Fourth, tough students can take risks, bounce back from failures and setbacks (Sebora, 2017). Overall, students with high psychological capital may exhibit high EI because they are futuristic (Mccann and Vroom, 2015).

## **Entrepreneurial Orientation**

Entrepreneurial orientation (EO) has been defined as a process that enhances an individual's capacity to acquire entrepreneurial knowledge,

increases awareness and understanding provides overall mental picture entrepreneurship (Han et al., 2020). Previous studies have highlighted that entrepreneurial orientation is significantly related entrepreneurial intentions (Do & Dadvari, 2017). Meanwhile, other antecedents, such as social capital, also play an important role in shaping entrepreneurial intentions (Linán & Santos, 2007). Also, psychological capital is a strong predictor of successful entrepreneurship (Jin, 2017) and is positively related to entrepreneurial intention (Ghani et al., 2013). These findings show, theoretically and empirically, that psychological capital is positively related to increased performance and positive attitudes. Empirically, research conducted by (Ghani, at. al; 2013) students in Tehran shows that psychological capital is positively correlated with entrepreneurial intentions. Another study (Jin, 2017) also had similar findings that hope, resilience, and selfefficacy had a positive effect on the intention to start, whereas optimism had no significant effect on this intention. This finding confirms that positive psychological capital among novice entrepreneurs is closely related to the intention to start a business. As a result, an increase in psychological capital will directly affect entrepreneurial orientation and simultaneously improve performance (Esfandabadi et al., 2018).

Referring to some of the previous literature reviews that have been explained in the previous section, the conceptual framework of the research can be described as shown in Figure 1 below. the following research hypothesis will be tested:

H1: It is suspected that social capital has a significant effect on entrepreneurial intentions

H2: It is suspected that psychological capital has a significant effect on entrepreneurial intentions

H3: It is suspected that social capital has a significant effect on entrepreneurial orientation

H4: It is suspected that psychological capital has a significant effect on entrepreneurial orientation

H5: it is suspected that entrepreneurial orientation has a significant effect on entrepreneurial intentions

H6: it is suspected that entrepreneurial orientation is able to mediate the relationship of social capital to entrepreneurial intentions

H7: it is suspected that entrepreneurial orientation is able to mediate the psychological relationship of capital to entrepreneurial intentions

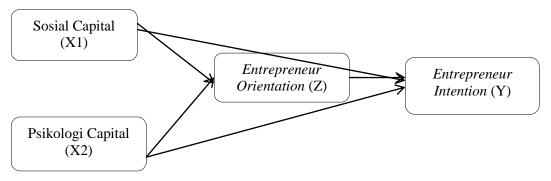


Figure 1. Conceptual Framework

## RESEARCH METHODS

This research involved vocational education students at MAN 1 Bukittinggi as respondents. Questionnaires were randomly distributed to vocational education students at MAN 1 Bukittinggi. The population used was vocational education students at MAN 1 Bukittinggi. The final sample accepted consisted 101 student. Stratified random sampling was used to select respondents. Stratified sampling is where the population is divided into strata (or subgroup) and a random sample was drawn from each subgroup (Firmansyah & Dede, 2022) is a probability sample

with gender representation, and the discipline of expertise aims to obtain differences in student characteristics. This technique minimizes bias in sampling and ensures population reliability.

We collected study data using instruments validated in previous studies. This type of research is causative so that the data obtained needs to be analyzed quantitatively. According to (Zelmiyanti & Anita, 2015) The purpose of causal research is to examine how one factor affects another. This research can be seen as a type of causative research, which establishes a causal relationship between the independent and dependent variables,

namely the extent to which the dependent variable influences the independent variable. Structural Equation Modeling (SEM) with Smart PLS 4 as data processing software is the method used in this study for data analysis. This study aims to obtain evidence of a causal relationship between independent variables consisting of social capital, psychological capital on the dependent variable Entrepreneurial Intentions through entrepreneurial orientation as a mediating variable.

## RESULTS AND DISCUSSION

# Model Measurement Analysis ( *Outer Model* ) Convergent Validity

This study use outer loading or factor loading values to test convergent validity. If the outer loading or loading factor value is greater than 0.7, an indicator is said to achieve convergent validity in the good category (Ghozali, 2013). Based on the results of convergent validity testing, it is known that there are five statement items that do not meet the criteria, namely on the following variable indicators: EI 4 (0,609), EO 2 (0,694), PC 1 (0,237), PC 2 (0,187), and SC 4 (0,528) so it is declared invalid.

The five false statement items were removed, and the test was then run once more. With the aim of increasing the model measurement score (outer loading) so that it has a Convergent Validity value > 0.70, so it can be concluded that all variable items are valid. Based on the table above, it can be

seen that each component of the research variable indicators has a loading factor value of > 0.7. The construct shows good convergent validity, according to the results of factor loading. So the measurement model can be tested further.

## Discriminant validity

Discriminant validity is obtained through cross-loading values. An indicator in the instrument is declared to fulfill discriminant validity, if the cross-loading value between the indicator and the construct is higher than the other variable constructs (Ghozali, 2013). Cross loading value has a correlation value of indicators with constructs that is greater than the correlation values of indicators with other constructs, as shown in the table above. The measurement model is valid, according to the specified model analysis.

## Reliability Test

Once the level of data validity is known, the next step is to determine the level of data reliability or the level of reliability of each variable through the composite reliability value generated by PLS calculations for each construct. The value of a construct is said to be reliable if it gives a composite reliability value of > 0.70 (Werts et al. 1979 in Ghozali, 2006). The results of the reliability test are presented in table 4.

Tabel 2. Nilai Cronbach's Alpha dan Nilai Composite Reliability

Variabel	AVE	Cronbach's alpha	Composite reliability
Entrepreneurial Intention	0.723	0.809	0.820
<b>Entrepreneurial Orientation</b>	0.804	0.758	0.770
Psikologi Capital	0.705	0.585	0.597
Social Capital	0.576	0.631	0.638

Source: Data Processed From Research Results (2023)

From table 4 above it is known that the Cronbach's alpha value of each construct, is Entrepreneurial Intention. Entrepreneurial Orientation, while the is more than 0.7 Psychological Capital Social and Capital constructs are less than 0.7 and the composite reliability value of each construct Entrepreneurial Intention, Entrepreneurial Orientation is more 0.7 while than the Psychological Capital and Social Capital constructs are less than 0.7. So it can be concluded that the Entrepreneurial Intention and Entrepreneurial Orientation constructs have high reliability while the Psychological Capital and Social Capital constructs are not reliable.

## Structural Model Analysis (Inner Model) *R-Square*

Structural models were evaluated using the R-Square for the dependent construct, the Stone-Geiser Q-square test for predictive relevance, the t-test and the significance of the structural path parameter coefficients. R-Square is used to predict whether the research model used is good enough or not.

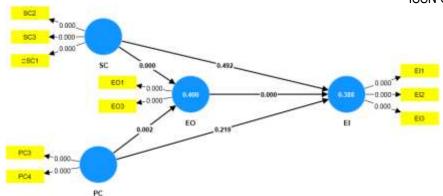


Figure 2. Research FIT Model

**Table 3. R Square Test Results** 

Tubic of it bequare Test Results				
Variable	R-square	R-square adjusted		
Entrepreneurial Intention	0.388	0.369		
Entreprenuerial Orientation	0.400	0.388		

Source: Data Processed From Research Results (2023)

Based on the table above in this study it can be seen that the R-square entrepreneurial intention of 0.388 means that the social capital and psychological capital variables explain the entrepreneurial intentions variable of 38.8%, the remaining 61.2% is explained by other constructs outside those examined in this study. R-square

entrepreneurial orientation of 0.400 % means that social capital and psychological capital variables explain entrepreneurial orientation by 40%, the remaining 60% is explained by other constructs outside those examined in this study.

Table 4. The direct effect of exogenous variables on endogenous variables

	Original	Sample mean	Standard	T statistics	P
	sample (O)	(M)	deviation	( O/STDEV )	values
			(STDEV)		
SC -> EI	0.081	0.087	0.118	0.687	0.492
PC -> EI	0.141	0.144	0.115	1,229	0.219
$SC \rightarrow EO$	0.444	0.446	0.100	4,420	0.000
$PC \rightarrow EO$	0.290	0.287	0.093	3.116	0.002
EO -> EI	0.487	0.481	0.116	4,193	0.000

Source: Data Processed From Research Results (2023)

direct effect values found in this study are:

- 1) The effect of Social Capital (X1) on Entrepreneurship Intention (Y): the original sample is 0.081 and P-Values 0.492 > 0.05, so the effect of Social Capital (X1) on Entrepreneurship Intention (Y) is positive but not significant.
- 2) The effect of psychology Capital (X2) on Entrepreneurship Intention (Y): the original sample is 0.141 and P-Values 0.219 > 0.05, so the influence of psychology Capital (X2) on Entrepreneurship Intention (Y) is positive but not significant.
- 3) The effect of Social Capital (X1) on Entrepreneurship Orientation (Z): the original

- sample is 0.444 and P-Values 0.000 <0.05, so the effect of Social Capital (X1) on Entrepreneurship Orientation (Z) is positive and significant.
- 4) The effect of psychology Capital (X2) on Entrepreneurship Orientation (Z): the original sample is 0.290 and P-Values 0.002 <0.05, so the influence of psychology Capital (X2) on Entrepreneurship Orientation (Z) is positive and significant.
- 5) The effect of Entrepreneurship Orientation (Z) on Entrepreneurship Intention (Y): The path coefficient is 0.487 and P-Values 0.000 <0.05, so the effect of Entrepreneurship Orientation (Z) on Entrepreneurship Intention (Y) is positive and significant.

**Table 5. Specific indirect effects** 

	Original	Sample	Standard		
	sample	mean	deviation	T statistics	
	(O)	(M)	(STDEV)	( O/STDEV )	P values
PC -> EO ->					
EI	0.141	0.139	0.058	2,449	0.014
$SC \rightarrow EO \rightarrow$					
EI	0.216	0.214	0.070	3,096	0.002

Source: Data Processed From Research Results (2023)

specific indirect effect values found in this study are as follows:

- 1) The effect of Social Capital (X1) on Entrepreneurship Intention (Y) through Entrepreneurship Orientation (Z) is 0.141 and P-Values 0.014 <0.05, so that the influence of Social Capital (X1) on Social Capital (Y) through Entrepreneurship Orientation (Z) is positive and significant. These findings also show that Entrepreneurship Orientation (Z) is able to mediate the effect of Social Capital (X1) on Entrepreneurship Intention (Y).
- 2) The effect of Psychology Capital (X2) on Entrepreneurship Intention (Y) through Entrepreneurship Orientation (Z) is 0.216 and P-Values 0.002 > 0.05, so that the influence Psychology Capital (X2)Entrepreneurship Intention (Y) through Entrepreneurship Orientation (Z) is positive and significant. These findings also show that Entrepreneurship Orientation (Z) is able to mediate the influence of Psychology Capital (X2) on Entrepreneurship Intention (Y).

## **DISCUSSION**

The results of testing the H1 hypothesis prove that there is no significant effect between social capital on entrepreneurial intention. These results indicate that social capital has no effect on students' entrepreneurial intentions, where students' social environment does not always encourage entrepreneurship and they interact more socially with friends, family, classmates, and teachers than with people who are experienced entrepreneurship. This is supported by research (Mahfud et al., 2020) which states that there is no significant effect of social capital variables on entrepreneurial intention. Thus, education providers at the SMA/MAN/SMK and equivalent levels need to create a teaching strategy that involves business people in teaching in schools. This type of program provides students with unique experiences, learning, and problems and challenges experienced by entrepreneurs in

real-life situations. Thus, students will increase their social interaction with entrepreneurs, and it is hoped that they will also be motivated to become successful entrepreneurs in their fields.

The results of testing the H2 hypothesis prove that there is no significant influence between psychology capital on entrepreneurial intention. These results indicate that psychological capital has no effect on students' entrepreneurial intentions, because psychological capital serves as the basis for everyone's decision to act or not, students' lack of confidence in starting a business can cause them to doubt their intention to become an entrepreneur. This is supported by research (Zhao et al., 2020) which states that there is no significant effect of social capital variables on entrepreneurial intention. It is safe to say that it is possible to nurture entrepreneurs by focusing on increasing their confidence, optimism, hope and resilience. This will help students to overcome fear and hesitation embrace their to entrepreneurship as a career option.

Testing the H3 hypothesis proves that social capital has a positive and significant effect on entrepreneurial orientation. The results of this study indicate that social values that develop in individuals will give confidence in doing work so that they have the orientation and intention to become entrepreneurs. Individuals with high social capital tend to be more trustworthy, more cooperative, and less selfish (Tohani & Wibawa, 2019). This is supported by research (Mahfud et al., 2020) which reveals that the importance of the role of entrepreneurial orientation as a construction of self-capital in social and psychological forms, which ultimately indirectly affects students' intentions. With good quality social capital owned by individual students, it can determine the extent of their orientation and intention to grow into an entrepreneur.

Testing the H4 hypothesis proves that psychological capital has a positive and significant effect on entrepreneurial orientation. From the results of this study indicate that the importance of

building psychological capital first to foster the emergence of an orientation in entrepreneurship that leads to the emergence of intention. This is supported by research (Pangkey & Endang Kusmiati, 2022) which states that there is a positive and significant influence on entrepreneurial orientation. Psychological capital is guided by belief in individual expertise or the extent to which a person feels able to mobilize the behavior, motivation, and cognitive resources needed to complete certain activities (Wardhani et al., 2020).

The results of testing the H5 hypothesis prove that there is a positive and significant influence entrepreneurial orientation entrepreneurial intention. This shows that with the desire, interest and individual willingness to work hard with ideas or a strong will to meet their needs, not afraid of future risks, accepting challenges, confident, creative and innovative as well as the ability and skills to satisfy need. This is what becomes reinforcement in determining student Entrepreneurial Intentions. This is supported by research (Pangkey & Endang Kusmiati, 2022) which states that entrepreneurial orientation has a significant effect on entrepreneurial intention. A student who has a high level of innovation, risk taking, proactivity, passion and persistence tends to have entrepreneurial intentions.

The results of the H6 hypothesis test show that entrepreneurial orientation used as a mediating variable is able to explain the effect of social capital on entrepreneurial intention. From the results of data analysis in this study, it shows that social capital has a positive and significant effect on entrepreneurial intention which is mediated by entrepreneurial orientation in vocational education students at MAN 1 Bukittinggi. That is, social capital that is built significantly determines entrepreneurial orientation so that it becomes a reward for the growth of school students' entrepreneurial intentions. Entrepreneurial intent is the individual's desire, interest, and willingness to work hard with ideas or a strong will to meet their needs, not afraid of future risks, accepting challenges, confident, creative and innovative as well as the ability and skills to satisfy needs (Zaman & Tjahjaningsih, 2017). This is in line with research (Anggadwita et al., 2021) which states that social perception has a significant and positive effect on entrepreneurial intentions through entrepreneurial orientation. (Martins & Perez, 2020) states that an entrepreneurial orientation assists an individual in translating the right abilities by utilizing perceptions from the surrounding environment in increasing entrepreneurial intentions. So that social capital will have a significant influence on Entrepreneurial Intentions through Entrepreneurial orientation. Where there is a strong intention in social interaction will foster someone's entrepreneurial orientation.

The results of the H7 hypothesis test show that entrepreneurial orientation used as a mediating variable is able to explain the influence of psychology capital on entrepreneurial intention proven to be true. From the results of data analysis in this study, it shows that psychology capital has a positive and significant effect on entrepreneurial intention mediated by entrepreneurial orientation in vocational education students at MAN 1 Bukittinggi. Psychological capital has elements, self-efficacy, optimism, hope resilience which are self-potential to develop entrepreneurial intentions (Issalillah & Kurniawan, 2021). These results are supported by research (Triyono et al., 2023) which states that the mediating role of entrepreneurial orientation has a significant effect on the effect of psychological capital on entrepreneurial intention. Research from (Baluku et al., 2020) provides an explanation that psychological capital is usually an aspect that directly stimulates the growth of entrepreneurial intentions, so that orientation is only partially built. Vocational education is also recommended to strengthen entrepreneurial orientation by strengthening problem solving skills and the entrepreneurial improving work ethic accompanied by strengthening entrepreneurial orientation in students. Finally, it is also important to increase technical competencies that support entrepreneurship in order to strengthen entrepreneurial capital and spirit in students and strengthen their intentions.

## **CONCLUSION**

The results of the study show that there is no significant effect of social capital entrepreneurial intention. There is no significant influence of psychological capital entrepreneurial intention. There is a positive and significant influence of social capital entrepreneurial orientation. There is a positive and significant influence of psychological capital on entrepreneurial orientation. There is a positive and significant effect of entrepreneurial orientation on entrepreneurial intention. There is a significant influence of social capital on entrepreneurial intentions through entrepreneurial orientation. There is a significant influence of psychological capital on entrepreneurial intentions through entrepreneurial orientation. The importance of

increasing entrepreneurial orientation which will encourage individuals to be able to have entrepreneurial awareness and motivation. By increasing entrepreneurial orientation for students in a business or business, it will provide good for opportunities individual entrepreneurs themselves, where entrepreneurs will increased knowledge and knowledge about how to run a business so that it can grow rapidly which ultimately increases the intensity of intentions in students. Entrepreneurial orientation encourages individuals to take concrete steps in establishing a business or entrepreneurship. Without this orientation, entrepreneurial intentions may only be ideas or desires without real action. On the other hand, both are also very important to strengthen as increase intention effort to directly. Furthermore, entrepreneurial orientation requires interaction, starting from strengthening selfcompetence to growing intention. These results show the importance of vocational education in strengthening the values included in social capital and psychological capital. The findings of this study make a substantial contribution to educators' understanding of how students' entrepreneurial intents influenced by entrepreneurial orientation as middleman between social capital psychological capital. The findings of this research can be a basis for schools in designing more effective entrepreneurship learning programs with a focus on developing students' entrepreneurial intentions through guidance that includes aspects such as social capital, psychological capital, entrepreneurial orientation.

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