The Role Of Self Identity In Moderating Relationships Between TPB Elements And Intention Of Social Entrepreneurship

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Abstract: The purpose of this study is to investigate the role of self-identity in moderating the relationship between personality traits, subjective norms, and perceived behavioral control and socio-entrepreneurship intention of the students in the faculty of business who have taken entrepreneurship course and who have interest in social activities. This research employs 100 students in the Faculty of Business in Yogyakarta and its surrounding area as respondents. The study using Partial Least Square (PLS) found that personality traits, subjective norms, and perceived behavioral control are the predictors of socio-entrepreneurship intention. Moreover, self-identity positively and significantly moderates the relationship between personality traits, subjective norms, perceived behavioral control and Socio-entrepreneurship Intention.

Keywords: Self-identity personality traits, subjective norms, perceived behavioral control, socio-entrepreneurship intention

I. INTRODUCTION

Social entrepreneurship is one way to solve global problems such as climate change, environmental pollution, natural disasters, diseases, poverty, crime, corruption, economic crisis and so on. Social entrepreneurship aims to create social changes through the establishment and management of innovative solutions. Social entrepreneurship provides innovative solutions to solve social problems by mobilizing ideas, skills, resources, and social devices needed for sustainable social transformation (Alvord et al., 2004). This innovative solution distinguishes social entrepreneurship from other forms of entrepreneurship (Peredo & McLean, 2006).

The topic of social entrepreneurship has attracted the attention of many scholars today. In recent years, the entrepreneurship literature that discusses entrepreneurs’ psychological characteristics has generated a high level of interest in the relation of these characteristics and identities (Cardon et al., 2013; Fauchart & Gruber, 2011; Murnieks et al., 2014; Navis & Glynn, 2011), which means that entrepreneurial activities are closely related to the identity of entrepreneurs (Shepherd & Haynie, 2009). Other researchers explain that entrepreneurial identity is a core element of entrepreneurial intentions (Cardon et al., 2013). However, knowledge about the real role of self-identity in the process of motivating social entrepreneurship is still limited. Therefore, more research that integrates identity as a new construct in social entrepreneurship research into models and theories of intentions and entrepreneurial behavior, such as Theory of Planned Behavior (Azjen, 1991) is needed. This study is intended to predict students’ interest in social entrepreneurship among students using the Theory of Planned Behavior (TPB) framework with self-identity as a moderating factor.

II. LITERATURE REVIEW

A. SOCIAL ENTREPRENEURSHIP

Social entrepreneurship is a sub-discipline of the field of entrepreneurship (Steyaert, C. & Hjorth, 2006). Therefore, an important key to understanding social entrepreneurship is to study research in the field of entrepreneurship (Chell, 2007).
Social entrepreneurship is related to efforts to find new ways to create and maintain the survival of social value (Anderson and Dees, 2002, in Peredo & McLean, 2006). The main focus of social entrepreneurship is social welfare and / or the environment. Therefore, social entrepreneurship activities cover a variety of topics including economic, injustice, and other social problems ([See los & Mair, 2005; Sutha & Sankar, 2016]. Therefore, the main goal of social entrepreneurship is to serve the needs of the community and not welfare in terms of material or money for managers.

B. THEORY OF PLANNED BEHAVIOR (TPB)

The theoretical framework of this study is based on the theory of planned behavior (TPB) from Azjen (1991). The basic principle of TPB is that interest in a behavior initiates planned behavior. Interests are understood as motivational factors that show how seriously someone is trying hard to plan, trying to do certain behaviors. The stronger the intention to perform a behavior, the more likely it is that the behavior will be implemented (Azjen, 1991). TPB assumes that interest in behavior is determined by three factors: (1) personal attitude, (2) subjective norms, and (3) perceived behavior control. Furthermore, interest determines actual behavior. This relationship between interests and subsequent behaviors has been confirmed through general meta-analysis (Armitage & Conner, 2001) and entrepreneurship meta-analysis (Schlaegel & Koenig, 2014).

TPB had been used in various fields such as marketing, information systems, and entrepreneurship and also had been used by many researchers to explain and predict entrepreneurial behavior in various countries. However, empirical studies of the use of TPB in the field of social entrepreneurship were very limited.

C. THE ROLE OF SELF-IDENTITY IN TPB

Self-identity is a person's awareness of unique identity and important aspects that stand out in that person and this reflects the extent to which a person sees himself fulfilling the criteria for the role of any community (Conner & Armitage, 1998). Meanwhile, Stets & Burke (2000) explains that self-identity is the perspective that person takes on himself when performing a certain role. In other words, someone who sees himself as a social soul is more likely to take every opportunity to do social entrepreneurship.

Recent research also underscores the importance of self-identity in TPB ([Dean et al., 2012; (Rise et al., 2010]. But the results related to the moderating effect of self-identity on the relationship between personal attitudes, subjective norms, and perceived behavior control of intentions or on the relationship between self-belief and intention (intention) are not so clear. Therefore this study is intended to further investigate whether self-identity moderate the relationship between the three dimensions of TPB and the intention to carry out social entrepreneurship.

III. HYPOTHESIS DEVELOPMENT

Personal attitudes describe a person's assessment of interest in behavior (Azjen, 1991). The more positive a person's assessment of the results of starting a business, the better is one's attitude towards business ([Pruett et al., 2008; van Gelderen & Jansen, 2006]. For this study attitude is interpreted as the attitude of students towards social entrepreneurship. TPB predicts that a positive attitude towards social entrepreneurship will strengthen students' intention to engage in social entrepreneurship activities. The positive relationship between attitude and involvement in expected behavior is supported by from Chan & Lau's (2002) findings. Chan & Lau (2002) found that a positive attitude towards environmental improvement affects the intention to buy environmentally friendly products. Whereas Paço et al. (2011); Shariff & Saud (2009); and Ali (2017) reported that attitude has a positive effect on interest in entrepreneurship.

Subjective norms refer to a person's willingness to adjust his beliefs about something to reference groups such as community leaders, the media, family and so on (Azjen, 1991). Or in other words, subjective norms measure the compatibility of one's perception with the expectations of the influencers for that person. TPB predicts these subjective norms have a positive effect on behavioral intention. Some researchers find this form of a positive relationship. Liñán et al. (2013) and Uygun & Kasimoglu (2013) report that the intention to do entrepreneurship is supported by other parties. In this study subjective norms in the form of influence from family, community leaders, media positively influence students' interest in running social entrepreneurship.

Perceived behavioral control refers to competence (for example, knowledge, ability, and control) to carry out the desired behavioral intention. TPB states that the more an individual has the ability and has the resources needed to perform the behavior, the more likely he will intend and carry out the behavior (Azjen, 1991). Therefore, the higher perceived behavioral control, will increase the behavioral intention.

Researchers in the area of survival find a strong relationship between perceived behavioral control and the intention to buy environmentally friendly products (Chan & Lau, 2002; Kalafatis et al., 1999). Ramos-Rodriguez et al. (2010) also reported that someone who has knowledge, expertise and has entrepreneurial friends can identify business opportunities. In this study, Faculty of Economics / Business students who have knowledge, abilities and other resources related to social entrepreneurship tend to do social entrepreneurship activities. Therefore based on the above discussion, the following hypotheses are arranged:

H1: Personal attitude, subjective norms, Perceived behavioral control has a positive effect on social entrepreneurial intentions.

Self-identity interacts with TPB elements in a unique way. This assumption is based on identity theory (Stets & Burke, 2000), which states that people have a strong motivation to eliminate the mismatch between self-identity and behavior. When someone decides whether or not to engage in a behavior, that person may not follow personal
attitudes, subjective norms, and perceived behavior control if this new role does not match the role of his self-concept.

As an illustration, someone might have a positive attitude towards social entrepreneurship (for example, because of the positive role models shown in various media), feel positive social norms about social entrepreneurship (for example, because their relatives or friends appreciate and expect social entrepreneurial activities), and he may also feel capable of carrying out social entrepreneurial activities (for example, because there is a lot of support from people around him regarding social entrepreneurship) (Souitaris et al., 2007). However, at the same time, the person may not identify themselves with the role of social entrepreneurship (which is incompatible with his self-concept). By the reason. Based on the above discussion, a hypothesis is drawn up:

H2: Self-identity moderates the relationship between TPB elements (personal characteristics, subjective norms, and perceived control) and social entrepreneurial intentions.

As explained, according to the TPB, interest in behavior is determined by three factors: (1) personal attitude, (2) subjective or social norms, and (3) perceived behavior control. Furthermore, in this study, the influence of these three factors on social entrepreneurial interest is moderated by self-identity. The relationships of these variables are presented in the research model in Figure 1 on the following page.

IV. METHODOLOGY

The population in this study were students of the Faculty of Business who had taken entrepreneurship courses and who were interested in social activities (participating in social activities organized by student organizations and other social organizations) in Yogyakarta and surrounding areas. These students were chosen because they have a strong entrepreneurship background and have been involved in social activities. The sampling technique used in this study is purposive random sampling. The number of samples used in this study were 100 respondents. This amount is taken with the consideration that respondents who have the above criteria are not large enough so that this study cannot be expected to get a large number of samples.

Data obtained using a questionnaire. The questionnaire used consist of questions about the dimensions depicted in this research model. Plans for distributing questionnaires were made directly to respondents who were included in the research criteria. To avoid the small response rate, the questionnaire that was distributed collected immediately after completion. Of the 100 questionnaires distributed, 100 were successfully collected.

Figure 1: The moderating role of self-identity on the influence of TPB components on social entrepreneurial intention

This study uses five variables consisting of three independent variables (personal attitude, subjective norms, and perceived behavior control), one moderating variable (self-identity), and one dependent variable (social entrepreneurial intention). The questions used to measure TPB were developed from various sources (Linan & Chen, 2009; Maes et al., 2014). These questions have been modified to suit the needs of this research. The questions are designed to measure personal attitudes (PA), subjective norms (SN), perceived behavioral control (PBC) towards social entrepreneurship, self-identity (SI), and social entrepreneurship intention (SEI). The questions use a five-level Likert scale, where “1” is strongly disagree, “2” disagree, “3” neutral, “4” agree, and “5” strongly agree.

V. RESULT

The SEM-Partial Least Squares (PLS) was employed in this study to test the proposed hypotheses. The PLS is used because it can analyze small amounts of data and does not require the assumption of normality (Fornell & Bookstein, 1982; Henseler et al., 2016). Moreover, PLS is widely used in research in the field of information systems (Marcoulides & Saunders, 2006), strategic management (Hair et al., 2012a), marketing (Hair et al., 2012b).

There are two measurement models in PLS analysis, namely the Measurement Model and the Structural Model. The Measurement Model is used to examine the validity and reliability of the latent variables.

A. MEASUREMENT MODEL

The minimum value of indicator factor loadings on each variable measured by the indicator variable is 0.7 (Hair et al., 2012a). PLS produced that all indicators of the PA, SN, PBC, SI, SEI, SI * PA, SI * SN, and SI * PBC variables have a loading factor of more than 0.70, so it can be interpreted that the indicators measure what should be measured. PLS analysis also resulted the average variance extracted value (AVE) and the composite reliability (CR) values as shown on Table 5.1. From table 5.1 it can be seen that all variables have AVE values above 0.50 and have composite reliability values above 0.70. The minimum value of average variance extracted (AVE) is 0.5 and the minimum value of composite reliability (CR) is 0.7 (Fornell & Larcker, 1981), therefore the requirements of minimum value of AVE and CR are met.

Discriminant validity is determined in two ways, namely: cross-loadings and square root of AVE (square root of AVE). Cross-loadings requirements are met if the indicators of latent variables have a high cross-loadings value to the variables that are measured (Straub et al., 2004). In this study, each latent variable has a high factor loadings on the measured latent variable, but has a lower factor loadings indicator value on the latent variable that is not measured so that the cross-loadings requirements are met. Moreover, the square root value of AVE for each latent variable (shown in diagonal) is higher than the correlation value between variables as shown on Table 5.2;
therefore this data fulfills the requirements of discriminant validity.

<table>
<thead>
<tr>
<th>AVE</th>
<th>CR</th>
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<tbody>
<tr>
<td>PA</td>
<td>0.734</td>
</tr>
<tr>
<td>SN</td>
<td>0.609</td>
</tr>
<tr>
<td>PBC</td>
<td>0.612</td>
</tr>
<tr>
<td>SEI</td>
<td>0.708</td>
</tr>
<tr>
<td>SI*PA</td>
<td>0.723</td>
</tr>
<tr>
<td>SI*SN</td>
<td>0.809</td>
</tr>
<tr>
<td>SI*PBC</td>
<td>0.623</td>
</tr>
</tbody>
</table>

Table 5.1 Average variances extracted (AVE) and Composite Reliability (CR)

Note: Square roots of average variances extracted (AVE's) is shown in diagonal.

| Table 5.2: Correlation of Latent Variables and Square Roots of Average Variances Extracted (AVEs) |
|------|--------------------------------------------------|
| PA   | SN      | PBC    | SEI    | SI*PA   | SI*SN   | SI*PBC  |
| 0.723| 0.532   | 0.136  | 0.322  | 0.216   | 0.363   | 0.432   |
| 0.812| 0.787   | 0.452  | 0.819  | 0.32    | 0.235   | 0.701   |

The results of the fitness tests model along with the P value of the structural model are presented in Table 5.3. From Table 5.3 it can be seen that both APC, ARS and AVIF meet the requirements. These results indicate that the model in this study fulfills the validation requirements so that the SEM model is considered to be free from data measurement problems (Kline, 2005).

<table>
<thead>
<tr>
<th>Structural Model</th>
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<tbody>
<tr>
<td>APC</td>
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<tr>
<td>ARS</td>
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<td>AVIF</td>
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1) Significant at p < 0.001; 2) good at AVIF < 5

Table 5.3: Model Fit Indices and P Structural Model values

B. STRUCTURAL MODEL

Table 5.4 is a structural model that shows the relationship among variables, path coefficients, and their level of significance. In table 5.4 it appears that SP affects the SEI with a β coefficient of 0.567 and is significant at (p value = <0.001). NS affects the SEI with a β coefficient of 0.439 and is significant at (p value = <0.001). While PBC has a positive effect on the β coefficient of 0.384 and is significant at (p value = <0.001). These results support the H1 hypothesis. Moreover, Table 5.4 also shows the moderating effect of SI on the relationship between PA-SEI, SN-SEI and PBC-SEI. From the table above it can be seen that self-identity (SI) significantly (p value = <0.001) moderates the relationship between Personal attitude (PA) and social entrepreneurial intention (SEI) with a coefficient value of 0.378. SI significantly (p value = <0.001) moderates the relationship between subjective norms (NS) and social entrepreneurial intentions (SEI) with a coefficient value of 0.235. Likewise SI significantly (p value = <0.001) moderates the relationship between perceived behavior control (PBC) and social entrepreneurial intention (SEI) with a coefficient value of 0.282. These results support the H2 hypothesis.

VI. DISCUSSION

The results of the analysis presented in table 5.4 show that both personal attitudes, social norms and perceived behavior control significantly influence social entrepreneurial intentions. This means that a person's desire to run a social entrepreneur is influenced by the person's personal attitude, suggestions, encouragement from friends, family and the environment, as well as the ease of getting the means and infrastructure to carry out social entrepreneurial activities. The results of this study reinforce the theory of (Azjen, 1991) that personal attitudes, subjective norms, and perceived behavior control are motivators for someone to do something.

This finding also reports that personal attitudes have the strongest influence (β = 0.567; p <0.001) on social entrepreneurial intentions compared to subjective norms (β = 0.439; p <0.001) and perceived behavior control (β = 0.384; p < 0.001). This shows that personal attitude becomes the main motivator for someone to run social entrepreneurship.

Moreover, in table 5.4 shows that self-identity significantly moderates the relationship between personal attitudes, social norms and perceived behavior control on social entrepreneurial intentions. The stronger a person's self-identity to become a socially-spirited person, the stronger the influence of personal attitudes, subjective norms and perceived behavioral control on social entrepreneurial intentions. The results of this study are in line with researchers’ findings about the relationship between self-identity and Theory of Planned Behavior (TPB) in the entrepreneurship domain. (Rise et al., 2010) reported that self-identity increases the prediction of TPB components on entrepreneurial interest. Meanwhile Whitmarsh & O’Neill (2010) report that personal identity is an important determinant in improving the relationship between TPB variables in increasing interest in behavior. Whereas Obschonka et al. (2014) reported that the stronger a person's self-identity to become an entrepreneur, the stronger the influence of personal attitudes, subjective norms and perceived behavior control on entrepreneurial intentions.

VII. CONCLUSIONS AND RECOMMENDATION

The results of this study indicate that personal attitudes, subjective norms, and perceived behavior control are
antecedents of social entrepreneurial intentions on students. Self-identity moderates the relationship between the antecedents of the Theory of Planned Behavior and the social entrepreneurship intention. The stronger one’s self-identity which is indicated by the desire to engage in social activities will strengthen the relationship among personal attitudes, subjective norms, and perceived behavioral control with the intention to carry out social entrepreneurial activities.

This research contributes to the formulation and testing of research models that explain the role of self-identity in the relationship between TPB antecedents and social entrepreneurial intentions. This model can be used as a diagnostic tool to gain insight into the role of self-identity in moderating the relationship between the TPB antecedents and the intention to carry out social entrepreneurial activities. By understanding the moderating role of self-identity, one can develop a spirit of social entrepreneurship.

This research has limitations because the respondents of this study were limited to students in Yogyakarta and surrounding areas so that the results of this study could not be generalized to the wider community. In addition, research also needs to be done by placing self-identity as a predictor of social entrepreneurial intentions. By placing self-identity as one of the predictors in the Theory of Planned Behavior framework for social entrepreneurship will enrich research in the field of social entrepreneurship.

REFERENCES


