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Digital Literacy and Its Impact on Entrepreneurial Intentions: Studies on Vocational Students

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ABSTRACT

The rapid development of technology and information encourages students to enter the world of digital literacy and are expected to put it to good use in the business world. On this basis, this study aims to investigate the effect of digital literacy on the entrepreneurial intentions of vocational students majoring in Commercial Administration, at Bandung State Polytechnic, Indonesia. The research method used descriptive quantitative and data collection using a questionnaire. The number of respondents involved in this research was 311 vocational students, majoring in Business Administration, at Bandung State Polytechnic, for data analysis using the mean test and regression analysis test. The study results explain that digital literacy has a positive and significant influence on vocational students' entrepreneurial intentions.

Keywords: Digital Literacy, Entrepreneurship Intentions, student

JEL Classifications: O39, M10

BACKGROUND

Science develops continuously in line with the times. Currently (in 2022) from our observations, many teenagers prefer to use cellphones and social media compared to reading books. Reading is a source of knowledge.

Literacy is very related to everyone, both young and old, in urban and rural areas and this continues all the time. The term literacy is not a new thing for some people because, since 1958, UNESCO has described that a person is said to be literate if that person can understand reading results from simple writing related to everyday life. However, literacy is still considered new for some people, because it has not been fully understood by all groups.

Reading is not the only literacy activity, but at least reading is one way to develop literacy. Kennedy, et al., (2012) also argued that literacy includes the ability to read, understand, and critically evaluate various forms of communication including spoken language, printed text, broadcast media, and digital media. Literacy is needed as a form

of effort to build a critical and creative attitude towards various phenomena of life, promote sophistication and solidarity, and preserve national culture.

Mitchell Kapoor's research results (in Kemdikbud, 2017) explain that the younger generation has not been able to balance their abilities between accessing digital media and using digital media for the benefit of obtaining self-development information. This means that reading culture among the people is still in the low category. However, the very rapid development of digital media provides opportunities for the wider community, such as increasing e-commerce business opportunities, the emergence of new digital media-based jobs, and increasing digital-based literacy skills. The rapid growth of the digital world has also given birth to a creative economy and new businesses that create jobs (Kemdikbud, 2017).

According to its development, digital literacy is an interest, attitude and personal ability to utilize digital technology and communication tools to access, manage, combine, describe and evaluate information, create knowledge and communicate with other parties so that later they can contribute effectively to society. Digital literacy is also always aligned with one's capabilities in utilizing and interpreting the use of computer information technology, for example, contributing to the world of education and the economy.

The rapid development of technology and information encourages students as Generation Z to enter the world of digital literacy which is expected to encourage students to make better use of it. Another benefit is that students can easily access more up-to-date educational information through digital media, such as computers, laptops, or smartphones connected to the Internet network. Apart from that, the creative economy and new businesses (start-ups) which play a role in creating diverse employment opportunities are also the impacts of the development of technology and information.

Entrepreneurship has long been a concern in the development of a country's economic growth. According to Chaniago and Sayuti (2019), more and more individuals are starting to realize the significance of entrepreneurship for various reasons, such as the desire to achieve unlimited income, the determination to achieve independence, the desire not to be tied to certain working hours, and a greater desire to actualize ideas. -creative ideas freely.

This means that entrepreneurship helps provide employment opportunities, meet the needs of buyers, provide services, and improve people's welfare. In line with the increasingly rapid flow of globalization, entrepreneurship is also increasingly becoming an important concern when facing the challenges of globalization, namely global economic competence in terms of digital literacy and creativity.

Based on the explanation above, we investigate whether there is an effect of literacy on the entrepreneurial intentions of vocational students in the Department of Business Administration, Bandung State Polytechnic, Indonesia.

LITERATURE REVIEW

Self-development theory refers to various understanding frameworks and concepts used to explain how individuals grow, develop, and experience changes in their lives over time. This theory involves an understanding of the factors that influence individual development, including physical, cognitive, emotional, social, and spiritual aspects. There are several theories of self-development. Each theory differs in its approach and focus, these theories complement each other and help us understand the complexities of human development. One of the theories used as a grand theory to criticize this research is the Personal Growth Theory. This theory focuses on individual development as a process of forming a better self. This involves understanding personal potential, personal achievement, and self-transformation towards true well-being.

Literacy

Kennedy, et al., (2012) suggested that literacy includes the ability to read, understand, and critically evaluate various forms of communication including spoken language, printed text, broadcast media, and digital media.

Literacy is a person's language skills (listening, speaking, reading, and writing) to communicate in different ways depending on the goals to be achieved. This is also following the opinion of Grabe & Kaplan (1992) and Graff (2006). Literacy is needed as a form of effort to build a critical and creative attitude towards various phenomena of life, promote sophistication and solidarity, and preserve national culture. Of course, a critical and creative attitude towards various phenomena in life requires personal skills focused on rational thinking. Rational thinking skills put forward the ability to explore and find information.

Digital Literacy

The theory of digital literacy refers to a framework for understanding an individual's ability to access, understand, evaluate, and use information presented in digital form. Digital literacy theory helps individuals understand the complexity of today's digital world and enables a person to benefit from technology while respecting laws and ethics in online interactions.

Gilster (in Herlina, 2012) argues that digital literacy is the ability to use technology and information from digital devices effectively and efficiently in various conditions such as academics, work, and daily activities. Meanwhile, according to BU (2018: 4), digital literacy is the ability to use information and communication technology (ICT) to obtain, assess, utilize, create, and communicate content or information with cognitive and technical skills. Hague and Payton (2010) define digital literacy as the skills, knowledge and understanding that enable critical, creative, intelligent and safe practice when engaging with digital technologies in all areas of life. This study formulates digital literacy as understanding, assessing and using digital technology for life skills both in companies and in society.

Furthermore, Hague and Payton (2010) remind us that digital literacy is not only the skill of using certain computers or software effectively, but digital literacy is more than that, it involves critical thinking with technology and develops social awareness, commercial agendas, culture of using technology to convey information. and meaning.

Entrepreneurial Intention

The definition of intention according to Fishbein and Ajzen (1975) is a person's intention to act and is more specific or specific, in which there is a readiness that leads to the realization of certain behaviours. That is, in addition to intentions, preparation for the creation of certain behaviours is also required.

Entrepreneurial intention theory is a conceptual framework that explains the process of how individuals form intentions or determination to engage in entrepreneurial activities. This theory seeks to explain internal (psychological, social) and external (economic, environmental, cultural) factors that influence the formation of entrepreneurial intentions and ultimately lead to the act of setting up and running a business.

This theory will help researchers and practitioners understand why someone chooses to become an entrepreneur and what influences their decision. There are many theories related to entrepreneurial intentions, including the Theory of Planned Behavior" theory developed by Ajzen (1991). The theory focuses on three factors, namely: attitudes including worldviews, subjective norms related to the living environment and behavior control to realize intentions. being an entrepreneur, such as the availability of capital, skills, knowledge and networks.

Entrepreneurial intention is the desire to become an entrepreneur and is willing to take steps to create a business (Hisrich, et al., 2008). In other words, it can be concluded that entrepreneurial intention is an individual's desire to become an entrepreneur and is willing to take certain steps to realize this desire, for example, planning and so on.

HYPOTHESIS

Based on the explanations that have been submitted and assumptions from existing references, we develop the following research hypotheses:

H₁ = Digital literacy has an effect on the entrepreneurial intentions of vocational students

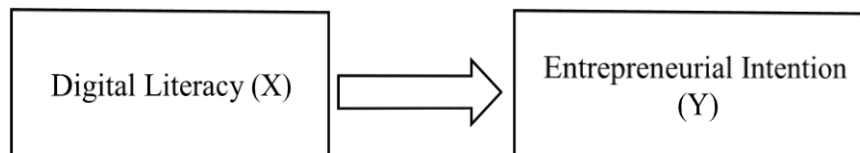


Figure 1: Relations between variables

RESEARCH METHOD

This study uses a quantitative descriptive method that will provide a real phenomenon using numbers, starting from data collection, and data interpretation to the appearance and results of the data. Quantitative descriptive data is representative of the actual situation as well as answers relating to the status of the subject of the study. The research was conducted in October-November 2022 at the oldest and largest polytechnic in Indonesia that organizes vocational education, namely the Bandung State Polytechnic. The number of students in 2022 is around 7000 students. Respondents were taken from students of the Department of Business Administration, randomly. The total number of respondents obtained was 311 respondents, consisting of students in grades 2-4. Determination of the number of samples refers to the Slovin formula.

The research instrument was translated into a questionnaire with 24 statements consisting of two parts. The first part contains questions regarding the identity and suitability of the respondent's qualifications, while the second part contains statements made based on the indicators of each variable. Before the questionnaire was used to collect data, validity and reliability tests were first carried out on 30 similar prospective respondents. The result is that all items correlate with total items > 0.3 and reliability with Cronbach alpha for these two variables > 0.7; meaning that all items are valid and can be used (Gursida & Harmon, 2017). Data analysis used descriptive analysis and regression analysis. To speed up data processing, we use the help of IBM SPSS v20 software.

RESEARCH RESULT

The data obtained from the respondents produced demographic data and respondents' responses to the questions/statements posed in the questionnaire. Here we present related data.

Table 1: Respondent Demographic Data

Description	Demographics	Frequency	Percentage(%)
Gender	Male	112	36%
	Woman	199	64%
Age	18 years	22	7.1%
	19 years	49	15.7%
	20 years	115	37%
	21 years	105	33.8%
	22 years	20	6.4%
Student batch	2019	35	11%
	2020	174	56%
	2021	63	20%
	2022	39	13%
Owning/currently starting a business	Yes	200	64%
	No	111	36%

Regression Test Results

Table 2: Results of Regression Analysis

Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Change Statistics				
					R Square Change	F Change	df1	df2	Sig. F Change
1	.599 ^a	.395	.356	2.32008	.359	172.740	1	309	.000

a. Predictors: (Constant), TotalX

b. Dependent Variable: TotalY

The results of a simple regression analysis are used to measure the effect of digital literacy variables on student entrepreneurial intentions. The results of the analysis show that the R-square value is 0.359. This means that 35.9% of student entrepreneurship intentions are influenced by digital literacy while 64.1% are influenced by other factors.

Table 3: Coefficients of Simple Linear Regression

Coefficients^a

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	10.303	1.194		8.627	.000
	TotalX	.274	.021	.599	13.143	.000

a. Dependent Variable: TotalY

The coefficient table above shows that the regression value of digital literacy is 0.599 with a constant of 10.303. The effect of the digital literacy variable (X) on student entrepreneurial intentions (Y) can be expressed in the following formula.

$$Y = 10.303 + 0.599X$$

The formula above shows, if constants are considered zero or other factors are considered fixed, then every one-digit increase in digital literacy will increase entrepreneurial intention by 0.599. Besides that, the results of the hypothesis test (see Table 2) show that R2 has a value of 0.359 (positive) and is significant at 0.000 < 0.05 or accepts the H1 hypothesis. The meaning of the H1 hypothesis which reads "digital literacy affects the entrepreneurial intentions of vocational students" can be accepted.

DISCUSSION

This study has investigated the effect of digital literacy on the entrepreneurial intentions of vocational students majoring in Business Administration, at Bandung State Polytechnic. Data shows that the majority of students aged 20-21 years (levels 2 and 3) have owned and are starting a new business. This shows that after they got the provision of knowledge and skills from campus, their desire to do business arose. Besides that, the rapid development of technology and information encourages students to master digital technology and marry it with business knowledge to become a real business. Theoretically, when observed from self-development theory, students try to develop their potential and try to achieve real prosperity. In addition, real business, the creative economy and new businesses (startups) play a role in creating diverse job opportunities.

Seeing this, entrepreneurship can be used as a tool for developing a country's economic growth. According to Chaniago and Sayuti (2019), more and more people are aware of the importance of entrepreneurship in their lives, not only from business education backgrounds but also from other disciplines. The drive to achieve unlimited income, independence, time flexibility, and freedom to realize creative ideas are the driving factors that drive these individuals to enter the world of entrepreneurship. Seeing the explanation above, educated young people have the potential to be engineered into creative businesspeople.

This explains, that entrepreneurship helps provide employment opportunities, meet the needs of buyers, provide services, and improve welfare. In line with the increasingly rapid flow of globalization, entrepreneurship is also increasingly becoming an important concern when facing the challenges of globalization.

Mitchell Kapoor's research results (in Kemdikbud, 2017) explain that the younger generation has not been able to balance their abilities between accessing digital media and using digital media for the benefit of obtaining information on self-development, especially entrepreneurship. From the existing data, the research results show that digital literacy has a positive effect on entrepreneurial intentions of 35.9% and is significant. Even though the influence is a low criterion (Gursida & Harmon, 2017), this research has found that the ability to understand and master digital technology determines the entrepreneurial intentions of vocational students. Therefore students to be literate in technology is a must and will have an impact on the entrepreneurial spirit of students.

This is in line with the opinion of Hasanah and Setiaji (2019) that there is a positive and significant effect of digital literacy on entrepreneurial intentions in e-business in students 14%. In addition, digital literacy also has a positive impact on increasing entrepreneurial skills (Winarsih and Furinawati, 2018). In an era where digital information is becoming increasingly important, digital literacy is becoming a key skill for successfully participating in modern society.

Theoretically, even though this research was conducted on vocational students, the results complement the research that has been done by several previous researchers. The difference is, the impact on vocational students is higher, 2/3 of vocational students already have or are starting a business when they become students and the majority are female. This is a huge potential that can be exploited by the government to produce educated women entrepreneurs. Creating a conducive environment, growing a sense of pride when starting a business from the bottom, changing the way of doing business that is mutually beneficial, independent and cultivating hard work needs to be instilled in students.

CONCLUSION

This study found that digital literacy has a positive effect on the entrepreneurial intentions of vocational students. Student's ability to understand, evaluate and use digital technology will increase their desire to become entrepreneurs.

Therefore, this study suggests that this research be continued by adding other variables to analyze entrepreneurial interest, such as family background, neighbourhood, education and networks owned.

In addition, it is hoped that students will continue to allocate time to develop digital technology skills in entrepreneurship and increase networks with established entrepreneurs. For policymakers or in this case, the Indonesian government and higher education institutions, activities that increase the number of seminars and discussions with successful practitioners need to be intensified and held regularly on their respective campuses.

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