
Understanding Entrepreneur's Personal Initiative

Ade Irma Anggraeni¹

¹Management Department, Faculty of Economy, Universitas Prima Indonesia, Indonesia

Abstract

Studies on the personal initiative in the context of entrepreneurship have been understood better with a variety of perspectives and strategy development. This study aims to examine the effect of goal pursuit and eudaimonic wellbeing on the personal initiative of business owners. Self-regulation perspective in the concept of eudaimonic wellbeing and assimilative mode in concept goal pursuit in use to explore the influence of the two constructs are on the personal initiative of the entrepreneur. This research contributes to clarifying the mechanism for the personal development of entrepreneurs, based on the main characteristics of entrepreneurship in the Indonesian context.

Keywords

Assimilative Mode Entrepreneur, Eudaimonic Wellbeing, Goal Pursuit, , Personal Initiative, Self-Regulatory

INTRODUCTION

Personal initiative is a concept that is often in exploration in the study of the character of an entrepreneur. Hirsch (1990) states that personal initiative is an essential component in entrepreneurship. Personal initiative is a positive consequence of individual efforts to address challenges and obstacles in their goal pursuit. There are two things a character basis in the personal initiative that is self-starting and attitude proactive (Fay and Frese, 2001). Personal initiative become important, especially in understanding aspects of the individual who becomes the reason an attempt has sustainability. However, in research Hahn, Frese, Binnewies and Smith (2012) against the entrepreneur in found that goal pursuit is not entirely an effect on the personal initiative. Goal pursuit is higher than the meaningfulness in life and the development of self. The second aspect is the component base in eudaimonic wellbeing. The argument is in strengthened by research Kiaei and Reio (2014) that there is influence between goal pursuit against eudaimonic wellbeing. Research by Fowers (2010) explains that the eudaimonic wellbeing component has an impact on personal initiative. Based on the review of the literature on the above, the research is to test the effect of goal pursuit and eudaimonic wellbeing to personal initiative.

Entrepreneurship in the Indonesian Context

Entrepreneurship is a significant component of the economy in Indonesia. Products featured are in developed by entrepreneurs in Indonesia comes from the diversity of nature and culture. Each region in Indonesia has a product featured specialities. Products featured are in produce an initiative of entrepreneurs of each region to maintain the preservation of the cultural areas at once produce a product unique are worth the high. Own a business that is engaged in the field of industrial handicraft, traditional Indonesia's character is typical that togetherness (Anggraeni, 2019). This character is in line with the interpersonal orientation in the eudaimonic wellbeing study developed by Bartels (2019). Entrepreneurship in Indonesia when it requires development in the aspect of entrepreneurial competencies. Studies that did by Suroso, Anggraeni and Andriyansah (2017) proved that the performance of entrepreneurs in Indonesia determined by human capital and managerial competence.

Personal Initiative

Personal initiative is an act of active individuals are aligned with the mission of the organisation, focusing on the purpose of term length, oriented actions, persevering in the face of challenges, in the start of the self itself and be proactive (Glaub, Frese, Fischer and Hoppe, 2014). Personal initiative becomes essential because of its impact on the

effectiveness of the organisation. This concept is the leading study in entrepreneurship due to its suitability to character, including initiative, creative thinking, resource and situation management, action-oriented and risk-taking (Hisrich, 1990).

In specific, Shane and Venkataraman (2000) describe the personal initiative into three characteristics, namely the self-starting behaviour, proactive behaviour and Overcoming barriers. In the context of entrepreneurial behaviour, an entrepreneur needs to designing a product, take advantage of opportunities, completing the job without instruction from the other, establishing the purpose of personal, design a plan strategic and always exploring environmental businesses. An entrepreneur needs to proactively build focus -term long without waiting for the presence of a request from the outside. Proactivity in need, in particular, to build chances term length and prepare the resource development to respond to the request immediately. Entrepreneurs also need to face various challenges and obstacles to diligently. Characters This requires managing emotions and various costs that incur in developing and distributing products.

Eudaimonic Wellbeing

The eudaimonic perspective on the wellbeing concept emphasises the importance of self-actualisation. However, the focus is long-term, striving for the development of personal and knowledge about the world environment around. Ryff (1989) develops six dimensions of eudaimonic wellbeing, namely autonomy, self-acceptance, purpose in life, positive relations with others, personal growth and environmental mastery. In general, eudaimonic wellbeing involves the development of a holistic about the self itself and all things in the outer self.

Eudaimonic wellbeing is a person's feeling that he has meaning in his life. The eudaimonic model emphasises that positive emotions come from a person's condition when he finds the meaning of life. The model is in explaining the theory of determination themselves which aspects of psychological need include autonomy, competence and relatedness (Ryan and Deci, 1985). Eudaimonic wellbeing is also described as a behavioural expression of self are balanced and in harmony with the values, autonomy and intention of a person (Steger et al., 2013).

Goal Pursuit

The concept of goal pursuit is a multidimensional construct approach. Fowers, Mollica and Procacci (2010) present two main approaches in explaining goal pursuit, namely instrumental and constitutive. Interest instrumental encourage individuals in efforts to achieve progress sustained through the activity is consistent and of separate from the condition of the end of the achievement. The instrumental mode is explained through the concept of efficacy and fun focus. Interest constitutive emphasise the identity of individual efforts to achieve the goal. The constitutive model presents an inseparable process between meaning and the result in achieving goals.

Goal pursuit explains the two main components of a coping strategy, namely, assimilative and accommodative mode (Brandtstadter & Renner, 1990). The assimilative o of coping strategy describes the behaviour of individuals to change the situation to be in tune with the preferences of personal. At the same time, fashion accommodative explain the behaviour individually to adjust preferences personal and orientation of interest in the face of a condition (Inge, Fler, van Sonderen, Smink, Sanderman and Ranchor, 2011). This research uses an assimilative approach to measure the concept of goal pursuit. This statement is in line with the opinion of Gallagher and Lewis (2000), in explaining the hope dimension in the goal pursuit concept is in line with the assimilative mode.

The Impact of Goal Pursuit on Personal Initiative and Eudaimonic Wellbeing

Research by Speier and Frese (1997) explains the effect of goal pursuit on personal initiative using the concept of self-efficacy, which is an instrumental approach to goal pursuit. Waterman's research (2008) examined the effect of two approaches in goal pursuit on wellbeing. The result of personal expressiveness effect on flow experience, self-realisation. Both concepts have a dimension eudaimonic wellbeing. Research is in supported by research Kiaei and Reio (2014), which explains that there is a relationship between goal pursuit and eudaimonic wellbeing. Research by Hahet al (2012) explains that there is a relationship between self-regulatory and personal initiative. Self-regulatory measured using the vigour dimension is a mechanism in wellbeing. This study also examines the effect of two wellbeing perspectives on the personal

initiative of business owners. As a result, this study provides empirical evidence of the effect of eudaimonic wellbeing on two dimensions of personal initiative, namely task-oriented and relationship-oriented.

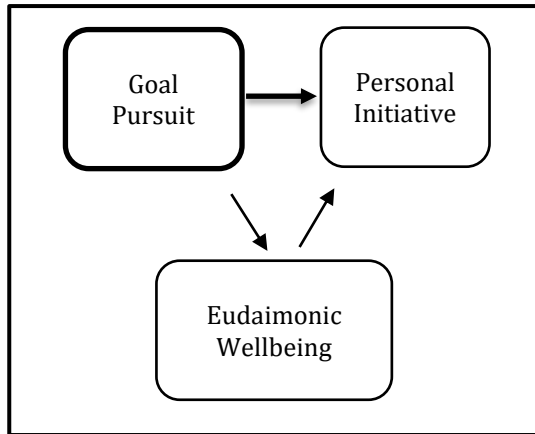


Figure 1. Research Model

METHODS

The population in this study are a business owner in Jawa Middle. Determination of the sample that is used in research this is a non-probability sampling using technique purposive sampling. Hair, Anderson, Tatham and Black (1995) suggest that the size of the sample minimum in research that using SEM is five times the number of parameters in the model research. The total sample in this study amounted to 250.

Retrieval of data is done with a questionnaire that has been prepared. Questionnaires were used in the research is contains two parts of the main. Portions were first on the profile of social respondents, shows the data of respondents are associated with the identity of the respondent and state social such as age, gender, education last and long-run business. While part of the concerns of goal pursuit, eudaimonic wellbeing and personal initiative. Research is also using interviews with the owners of businesses.

Methods of collecting primary data in the study are performed by using the method of the survey, which aims to collect information from respondents by using a questionnaire containing a list of statements were delivered directly to the respondent. The questionnaire in the research is to use the format of a questionnaire to the statement enclosed, powered by questions open, which require answers brief of the respondent to obtain a more profound answer. Grain questions in the questionnaire were made by using a scale of

1-10 which depict assessment of respondents on a scale of 1 to criteria very not agree to the scale ten on criteria highly disagree. Data analysis was performed using Structural Equation Modeling (SEM), especially AMOS, which can test complex models with a single analysis. In the model, studies have used three constructs that goal pursuit, eudaimonic wellbeing and personal initiative. Constructs are constructed differentiated into two categories, namely constructs exogenous and construct endogenous.

The study is in the carry on business in the field of industry creative artisans of products locally in Jawa Tengah. Determination of the sample of the population of employees who work in this field using a purposive sampling approach. There are 25 parameters in the model when using the structural equation modelling approach. Determination of 10 samples for each parameter, then the number of samples in research is as much as 250 samples. Testing the relationship of causality in the model of research use approach of structural equation modelling.

RESULTS AND DISCUSSION

Questionnaires were returned amounted to 231 copies and then in doing screening and obtained 219 questionnaires that meet the criteria for in the analysis. The profile of respondents is categorised by gender, education and long work. Based on the results of the analysis, the majority of respondents are male (75%), with the level of education bachelor (37%) and long-run business six up to 10 years at 44%.

Validity and Reliability Test

Measurement of validity and reliability using the calculation of the corrected item-total correlation and Cronbach's alpha values. The test results show that all questions meet the validity and reliability criteria when referring to the criteria for the corrected item-total correlation and Cronbach's alpha values. The calculation of the df value 217 shows the number 0.1114 on the r- table with a significance value of 0.05. Values corrected item-total correlation indicates that the whole item is located at the top of the value of 0.1114, so it can be said that the indicators of each variable used in the study are valid. Measurement reliability in a study using the value of Cronbach's alpha. The results of the testing showed that the value Cronbach alpha for each construct is in the top 0.7 so it can be in say has the reliability high.

Table 1. Validity and Reliability Test

Composite Index Indicator	Corrected Item-Correlation	Cronbach's Alpha
GP1	0.601	0.726
GP2	0.731	
GP3	0.629	
GP4	0.743	
GP5	0.779	
GP6	0.761	
PI1	0.705	0.782
PI2	0.591	
PI3	0.597	
PI4	0.734	
PI5	0.715	
PI6	0.590	
PI7	0.524	
PI8	0.614	
EWB1	0.685	0.747
EWB2	0.543	
EWB3	0.611	
EWB4	0.515	
EWB5	0.637	
EWB6	0.649	
EWB7	0.733	
EWB8	0.524	

Analysis of the Structural Equation Model

The subsequent analysis is structural equation modelling testing using three variables with five indicators for each variable. The test results show that the value for each index is in the right criteria.

Table 2. Result of Feasibility Model

Goodness of Fit Index	Result Analysis	Cut-Off Value	Result
Chi-Squared (χ^2)	48,173	Low Score	Good
Sig. Probability	0.107	≥ 0.05	Good

CMIN/DF	1.132	≤ 2.00	Good
GFI	0.924	≥ 0.90	Good
AGFI	0.917	≥ 0.90	Good
TLI	0.948	≥ 0.90	Good
CFI	0.931	≥ 0.90	Good
RMSEA	0.028	≤ 0.08	Good

Hypothesis Testing

Testing the hypothesis first use criteria t-test and critical ratio obtained values each individual for the critical ratio and probability value. The first hypothesis regarding the effect of goal pursuit on eudaimonic wellbeing is proven to be accepted. Testing the hypothesis both gain value each individual's critical ratio and for a probability value. The second hypothesis regarding the effect of personal initiative on eudaimonic wellbeing is proven to be accepted. Testing the hypothesis third gain value of each individual for the critical ratio and probability value. The third hypothesis regarding goal pursuit of eudaimonic wellbeing is proven to be accepted.

Table 3. Hypothesis Test

Hypothesis	C.R	P	Evaluation
GP → EWB	2.146	0.012	Accepted
GP → PI	2.229	0.000	Accepted
EWB → PI	2.454	0.004	Accepted

Discussion

Goal pursuit is the concept that in the wake using two modes in a coping strategy that is assimilative and accommodative. The results of testing the effect of the goal pursuit construct on eudaimonic wellbeing in the first hypothesis are proven in this study. The results of testing the first hypothesis confirm Gallagher's (2018) argument, which states that the meaning of hope in goal pursuit is in line with the concept of eudaimonic wellbeing. Testing the first hypothesis also confirms Waterman's (2008) research on the effect of personal goals on the eudaimonic wellbeing dimension. This study is also in line with the findings of Kiaei and Reio (2014) regarding the effect of goal pursuit on eudaimonic wellbeing.

The second hypothesis statement regarding the effect of goal pursuit on the personal initiative is proven to be accepted. The results of this hypothesis testing confirm the study of Hahn, Frese, Binnewies and Schmitt (2011) which explains that there is a relationship between self-regulatory and personal initiative. The vigour dimension in self-regulatory is a significant component

which is proven to have an effect on the personal initiative of business owners in Germany. Testing the third hypothesis in this study using intrapersonal and interpersonal dimensions in measuring the concept of eudaimonic wellbeing. The test results prove that there is a relationship between eudaimonic wellbeing and personal initiative. Evidence Empirical is confirmed research Hahn et al. (2011) about the influence of the two perspectives wellbeing that is task-oriented and relationship-oriented towards the personal initiative of the owners of the business.

CONCLUSION

This study provides empirical evidence on the effect of goal pursuit and eudaimonic wellbeing on personal initiative. Assimilative mode as a coping strategy is explanatory in terms of goal-related performance and goal-related coping. Eudaimonic wellbeing is a concept that evolved in the perspective of self-regulation. The personal initiative of an entrepreneur requires persistence in self-regulatory matters and setting goals to achieve business goals. This study contributes to explaining the mechanism of personal initiative development using two approaches, namely the self-regulation perspective as a motivational element and assimilative mode as a form of coping strategy that focuses on achieving personal goals. Model development of personal initiative, it is practically in use for program development themselves for the owners of the business to explore the dimensions of forming the construct. Research the need, in particular, to document the process of determination of the purpose of the owners of the business and use mechanise coping strategy.

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