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Submitted to the journal "Open Access Indonesia Journal of Social Sciences (March 13<sup>th</sup>, 2023)

Development of Village Youth Entrepreneurship Model to Increase Income of Wetland

**Village Communities** 

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Abstract

The low competitiveness of human resources is highly correlated with the low potential

and economic ability of the community, which leads to higher poverty rates. Intervention on the

economic capacity of the community needs to be done to prevent the adverse effects of the lack of

quality human resources. Entrepreneurship is a very important aspect to be developed in society,

as a form of economic intervention. This study aims to develop an entrepreneurial model of village

youth to increase the income of wetland villages. The study is an observational study in East

Beranggas Village, Alalak District, Barito Kuala Regency, South Kalimantan Province Indonesia.

Data analysis was carried out with PLS-SEM facilitated with SmartPLS 3. Creativity has no

significant effect on Entrepreneurial Confidence; Imagination has no significant effect on

Entrepreneurial Intent; and Personality has a significant effect on Entrepreneurial Significance.

Keywords: Entrepreneurship model, Income, Village youth

1.Introduction

The Community Development Index (HDI) is strongly influenced by education, health,

and income factors. Therefore, with the increase in informal knowledge / education, it is expected

to increase income and decent living standards. HDI is an important indicator to measure success

in efforts to build the quality of human life (community / population). In addition, HDI can

determine the rank or level of development of a region/country. The rapid development of

technology and the increasing complexity of business competition demand a greater role of Human

Resource Management. This change in the business environment has led to the recognition of the importance of HR as a source of competitive advantage. Therefore, Human Resources who have high competence are seen as being able to support the increase in community income.

Barito Kuala Regency is one of the districts in Indonesia with a relatively low level of education. The majority of the population only graduated from elementary school, of course, this will be a potential problem both from a social and economic aspect. The lack of education level correlates with low HDI and leads to low competitiveness of human resources. The low competitiveness of human resources is highly correlated with the low potential and economic ability of the community, which leads to higher poverty rates. Intervention on the economic capacity of the community needs to be done to prevent the adverse effects of the lack of quality human resources. Entrepreneurship is a very important aspect to be developed in society, as a form of economic intervention.

Entrepreneurship is a group of knowledge that seeks to develop the mindset of the community to be willing and dare to take concrete actions to do various things in order to solve various problems of society, which will lead to economic life. People must be trained to think creatively by always trying to see the economic opportunities and potential of every problem that arises in their community. This study aims to develop an entrepreneurial model of village youth to increase the income of wetland villages.

## 2.Literature review

Competence is the ability and willingness to perform tasks with effective performance. This is in accordance with (Spencer &; Spencer, 1993) which states that knowledge, skills and abilities are factors that have a dominant influence on HR competence. (Ardiana et al., 2010) also stated in their research that knowledge is the mastery of science and technology that a person has and is obtained through the learning process and experience during his life. A skill is a special capacity to physically manipulate an object. Ability is the capacity of an individual to perform various tasks in a job. Where the three indicators of HR competence have a significant influence on the performance of MSMEs which certainly have an impact on the competitiveness of MSMEs.

In the entrepreneurial process, an entrepreneurial orientation is needed because entrepreneurial orientation determines the direction of business movement that has been pioneered (Knight, 2000). The purpose of entrepreneurial orientation is to take advantage of business

opportunities that affect business performance (Wiklund, 1999). Entrepreneurial orientation relates to the way of entrepreneurship in the methods used, habits and decision-making styles used in entrepreneurship (Lee et al., 2000). In rural communities, especially village youth who are expected to be village successors in terms of farming, entrepreneurial competence is needed which is an important factor needed by business actors to face challenges in the development of a dynamic world and affect performance (Dhamayantie, 2017). Entrepreneurial competence is influenced by internal, external and environmental factors (Aviati, 2015). Furthermore (Aviati, 2015) stated that internally entrepreneurial competence is influenced by the desire for achievement, education and experience while externally what encourages entrepreneurial competence is opportunity, experience and creativity.

The model of entrepreneurial intention formation comes from the theoryof planned behavior (TPB) developed by Icek Ajzen. The SDGs state that a person's behavior appears regularly and sequentially, not originating from impulsive and spontaneous decisions, but has gone through a series of planning steps, through many experimental attempts that evolutionarily form and reinforce intentions(Ajzen, 1991; Bosnjak et al., 2020). As with any entrepreneurial activity preceded by a series of sequential steps that reinforce entrepreneurial intentions. According to TPB, a person's intention to behave certain is influenced by 3 variables, namely attitude, social norms, and self-efficacy.

#### 3. Methods

This study is an observational study to determine the factors that play a role in the development of business intentions as well as the relationships and models between these factors. This study was conducted in East Beranggas Village, Alalak District, Barito Kuala Regency, South Kalimantan Province Indonesia. The study location is a food insecure village with a high poverty rate. The primary data of the study were collected by survey to village youth as a group of respondents for the study. The outline of the results of the analysis on multivariate with PLS-SEM facilitated with SmartPLS 3, is a verifiative statistical analysis consisting of, outer model testing / measurement model, structural model testing / inner model and hypothesis testing. The outer model test consists of: 1) convergent validity analysis, 2) discriminant validity test, and 3) reliability test. Test the structural/inner model will produce R-square, f-square, and Q2 predictive relevance.

# 4. Results and discussion

Convergent validity is a test of construct validity. An indicator is said to have good validity if it has a loading factor value greater than 0.70 (Hair et al, 2017a). Based on the estimation results using the help of the SmartPLS 3 program application, the following model testing outputs were obtained.

**Table 1. 1**Outer model test results.

	Construk	Loading Factor	R critical	Criteria (Loading Factor > 0.70)
	X1.1 <- Creativity (X1)	0.893	0,70	Valid
	X1.2 <- Creativity (X1)	0.837	0,70	Valid
	X1.3 <- Creativity (X1)	0.852	0,70	Valid
	X1.4 <- Creativity (X1)	0.788	0,70	Valid
(X2)	X2.1 <- Imagination	0.911	0,70	Valid
(X2)	X2.2 <- Imagination	0.874	0,70	Valid
(X2)	X2.3 <- Imagination	0.920	0,70	Valid
(X3)	X3.1 <- Personality	0.792	0,70	Valid
(X3)	X3.10 <- Personality	0.783	0,70	Valid
(X3)	X3.2 <- Personality	0.765	0,70	Valid
(X3)	X3.3 <- Personality	0.871	0,70	Valid
(X3)	X3.4 <- Personality	0.799	0,70	Valid

Construk	Loading Factor	R critical	Criteria ( <i>Loading</i> Factor > 0.70)
X3.5 <- Personality (X3)	0.845	0,70	Valid
X3.6 <- Personality (X3)	0.840	0,70	Valid
X3.7 <- Personality (X3)	0.759	0,70	Valid
X3.8 <- Personality (X3)	0.823	0,70	Valid
X3.9 <- Personality (X3)	0.871	0,70	Valid
Y1 <- Entrepreneurial Significance (Y)	0.894	0,70	Valid
Y2 <- Entrepreneurial Awareness (Y)	0.943	0,70	Valid
Y3 <- Entrepreneurial Significance (Y)	0.920	0,70	Valid

Similarly, the resulting AVE (*Average Variance Extracted*) value which is greater than or equal to 0.5 (R-critical) shows that the latent variable in the study has good (Hair et al., 2019) *convergent validity*.

 Table 2. 2Convergent validity.

Latant	Average Variance	R	Criterion	
Latent	Extracted (AVE)	critical	$(AVE \ge 0.5)$	
Creativity (X1)	0,864	0,5	Valid	
Imagination (X2)	0,885	0,5	Valid	
Personality (X3)	0,944	0,5	Valid	

Entrepreneurial	0,908		
Interest (Y)	0,908	0,5	Valid

Discriminant validity is seen from the *resulting cross loading* value – according to Fornell and Larcker, by paying attention to the correlation value of the indicator to the construct which must be greater than the correlation value between the indicator and other constructs. (Ghozali & Fuad, 2014:45)

Table 3. 3Discriminant validity test results

	Creativity	Imagination	Personality	Entrepreneurial
	(X1)	(X2)	(X3)	Interest (Y)
X1.1	0.893	0.737	0.700	0.560
X1.2	0.837	0.701	0.782	0.637
X1.3	0.852	0.749	0.713	0.630
X1.4	0.788	0.754	0.593	0.521
X2.1	0.768	0.911	0.818	0.756
X2.2	0.795	0.874	0.764	0.687
X2.3	0.796	0.920	0.820	0.735
X3.1	0.730	0.748	0.792	0.628
X3.2	0.652	0.700	0.765	0.580
X3.3	0.738	0.819	0.871	0.699
X3.4	0.625	0.658	0.799	0.744
X3.5	0.755	0.838	0.845	0.734
X3.6	0.665	0.704	0.840	0.628
X3.7	0.670	0.628	0.759	0.727
X3.8	0.606	0.683	0.823	0.577
X3.9	0.726	0.797	0.871	0.835
X3.10	0.594	0.643	0.783	0.585
Y1	0.653	0.743	0.717	0.894
Y2	0.667	0.754	0.814	0.943

Y3	0.614	0.726	0.774	0.920
_				

With a high cross loading value compared to other costs, it was concluded that the model in the study had good discriminant validity. The quality of construct reliability is determined based on Cronbach's Alpha and Composite Reliability scores produced. As for the reliability of these three research constructs, the latent construct has a Cronbach's alpha value of more than 0.6, (Table 4), indicating that the latent construct has good reliability. In addition, the value of composite reliability of all latent constructs also has a value greater than 0.60. Based on Cronbach's alpha and composite reliability values obtained, it shows that the model has good reliability (Hair et al., 2017, 2019).

Table 4. 4Cronbach's Alpha and Composite Reliability Values

Latent	Cronbach's	Composite
Latent	Alpha	Reliability
Creativity (X1)	0,864	0,908
Imagination (X2)	0,885	0,929
Personality (X3)	0,944	0,952
Entrepreneurial Interest (Y)	0,908	0,943

The next tests are the structural/inner mode model test and the hypothesis test. Inner model evaluation is an analysis of the results of relationships between constructs. Inner model testing consists of R square, F-square, Q-square predictive relevance, and hypothesis test. The criterion of a strong model is an R-square value of 0.670; 0.33 moderate/moderate; and 0.19 is weak. The R-square produced in this study is presented in Table 5. next. (Chin, 1998)

Table 5. 5R-square

	R Square	Strong Relationships
Entrepreneurial Interest (Y)	0,725	Strong

Based on the chiteria, the R Square value with a value of 0.67 indicates a strong model, a value of 0.33 indicates a moderate model and a value of 0.19 indicates a weak model. From the results of Table 5.5, it can be seen that the R-Square for the variable Entrepreneurial Interest (Y) is 0.725 which means that Creativity ( $X_1$ ), Imagination ( $X_2$ ), and Personality ( $X_3$ ) simultaneously affect Entrepreneurial Interest (Y) by 72.5%, while the remaining 27.5% is influenced by other variables that were not studied in this study.

The f *Square* value of 0.02 indicates a small rating, Effect Size 0.15 indicates a medium rating and Effect Size 0.35 indicates a large rating (Cohen, 1988 in Yamin and Kurniawan (2011: 21). Based on the test results with SmartPLS 3, F Square results were obtained as follows.

Table 6. F-square6

Variable	Effect Size	Rating
Entrepreneurial Interest (Y)		
Creativity (X <sub>1</sub> )	0,020	Small
Imagination (X <sub>2</sub> )	0,086	Small
Personality (X <sub>3</sub> )	0,273	Moderate

Based on the above criteria, the variables Creativity  $(X_1)$ , Imagination  $(X_2)$ , and Personality  $(X_3)$  each have an influence with small, small and moderate categories in influencing the variable Entrepreneurial Intensity (Y).

*Q-square* testing is used to measure how well the observation values are produced by the model and also the estimation of its parameters. The value of Q-square is more different from 0 (zero) indicating that the model has a predictive relevance value, while *Q-square* less than 0 (zero) indicates that the model lacks *predictive relevance* (Cohen, 1988 in Yamin and Kurniawan (2011: 21). The Q-square value obtained using the value of R<sup>2</sup> in the table above, obtained the following calculation results:

**Table 7. Q7<sup>2</sup> Predictive Relevance** 

Variable	R Square	1-R Square
Entrepreneurial Interest (Y)	0,725	0,275
Q2 =	$Q^2 = 1$ - (1-0.	725) = 72.5%

Error =

The results of the analysis show that the value of the *Q square* is greater than 0, this means that the observed values have been well reconstructed so that the model has predictive relevance. This means that there is 0.725 or 72.5% of the relative effect of structural models on observational measurements for endogenous latent variables, and 27.5% is model error.

The *Original Sample* (O) of 0.618 shows that the direction of influence of Personality ( $X_3$ ) on Entrepreneurial Intensity (Y) is positive and unidirectional, meaning that the higher the personality, the more it increases the entrepreneurial itency. The influence of Personality ( $X_3$ ) on Entrepreneurial Intensity (Y) is significant, with a t-statistic value of 2.181 greater than t table or 2.181 > 1.96, and a *p value* of 0.030 smaller than alpha 5% (0.05). Thus, Personality ( $X_3$ ) has a significant effect on Entrepreneurial Interest (Y).

#### 5. Conclusion

Creativity has no significant effect on Entrepreneurial Confidence; Imagination has no significant effect on Entrepreneurial Intent; and Personality has a significant effect on Entrepreneurial Significance.

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## **Open Access Indonesia Journal of Social Sciences**



# Submission acknowledgement

Dear author(s),

Hastin Umi Anisah\*, Isnawati, Rifqi Novriyandana, Nor Hikmah has submitted the manuscript "Development of a Village Youth Entrepreneurship Model to Increase the Income of Wetland Village Communities" to Open Access Indonesia Journal of Social Sciences. The paper will be screened by editor and reviewed by peer review.

Cordially,



(\*) Corresponding author

# **Open Access Indonesia Journal of Social Sciences**



# Peer Review Results

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## Reviewer 1: Revision required

# Development of Village Youth Entrepreneurship Model to Increase Income of Wetland Village Communities→1

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#### Abstract→3

The low competitiveness of human resources is highly correlated with the low potential and economic ability of the community, which leads to higher poverty rates. Intervention on the economic capacity of the community needs to be done to prevent the adverse effects of the lack of quality human resources. Entrepreneurship is a very important aspect to be developed in society, as a form of economic intervention. This study aims to develop an entrepreneurial model of village youth to increase the income of wetland villages. The study is an observational study in East Beranggas Village, Alalak District, Barito Kuala Regency, South Kalimantan Province Indonesia. Data analysis was carried out with PLS-SEM facilitated with SmartPLS 3. Creativity has no significant effect on Entrepreneurial Confidence; Imagination has no significant effect on Entrepreneurial Significance.

Keywords: Entrepreneurship model, Income, Village youth > 2

#### 1.Introduction → 4

The Community Development Index (HDI) is strongly influenced by education, health, and income factors. Therefore, with the increase in informal knowledge / education, it is expected to increase income and decent living standards. HDI is an important indicator to measure success in efforts to build the quality of human life (community / population). In addition, HDI can determine the rank or level of development of a region/country. The rapid development of technology and the increasing complexity of business competition demand a greater role of Human

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Similarly, the resulting AVE (*Average Variance Extracted*) value which is greater than or equal to 0.5 (R-critical) shows that the latent variable in the study has good (Hair et al., 2019) *convergent validity*.

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X1.2	0.837	0.701	0.782	0.637
X1.3	0.852	0.749	0.713	0.630
X1.4	0.788	0.754	0.593	0.521
X2.1	0.768	<mark>0.911</mark>	0.818	0.756
X2.2	0.795	<mark>0.874</mark>	0.764	0.687
X2.3	0.796	0.920	0.820	0.735
X3.1	0.730	0.748	<mark>0.792</mark>	0.628
X3.2	0.652	0.700	0.765	0.580
X3.3	0.738	0.819	<b>0.871</b>	0.699
X3.4	0.625	<mark>0.658</mark>	<mark>0.799</mark>	0.744
X3.5	0.755	0.838	0.845	0.734
X3.6	0.665	0.704	<b>0.840</b>	0.628
X3.7	<mark>0.670</mark>	0.628	<b>0.759</b>	0.727
X3.8	0.606	0.683	0.823	0.577
X3.9	0.726	0.797	0.871	0.835
X3.10	0.594	0.643	0.783	0.585
<u>Y1</u>	0.653	0.743	0.717	0.894
<b>Y2</b>	<mark>0.667</mark>	0.754	0.814	0.943

<b>Y3</b>	<mark>0.614</mark>	0.726	0.774	0.920

With a high cross loading value compared to other costs, it was concluded that the model in the study had good discriminant validity. The quality of construct reliability is determined based on Cronbach's Alpha and Composite Reliability scores produced. As for the reliability of these three research constructs, the latent construct has a Cronbach's alpha value of more than 0.6, (Table 4), indicating that the latent construct has good reliability. In addition, the value of composite reliability of all latent constructs also has a value greater than 0.60. Based on Cronbach's alpha and composite reliability values obtained, it shows that the model has good reliability (Hair et al., 2017, 2019).

Table 4. 4Cronbach's Alpha and Composite Reliability Values

Latent	Cronbach's	<b>Composite</b>
Latent	<u>Alpha</u>	<i>Reliability</i>
Creativity (X1)	0,864	<mark>0,908</mark>
Imagination (X2)	0,885	0,929
Personality (X3)	0,944	0,952
Entrepreneurial Interest (Y)	0,908	0,943

The next tests are the structural/inner mode model test and the hypothesis test. Inner model evaluation is an analysis of the results of relationships between constructs. Inner model testing consists of R square, F-square, Q-square predictive relevance, and hypothesis test. The criterion of a strong model is an R-square value of 0.670; 0.33 moderate/moderate; and 0.19 is weak. The R-square produced in this study is presented in Table 5. next. (Chin, 1998)

Table 5. 5R-square

	R Square	Strong Relationships
Entrepreneurial Interest (Y)	0,725	Strong

Based on the chiteria, the R Square value with a value of 0.67 indicates a strong model, a value of 0.33 indicates a moderate model and a value of 0.19 indicates a weak model. From the results of Table 5.5, it can be seen that the R-Square for the variable Entrepreneurial Interest (Y) is 0.725 which means that Creativity  $(X_1)$ , Imagination  $(X_2)$ , and Personality  $(X_3)$  simultaneously affect Entrepreneurial Interest (Y) by 72.5%, while the remaining 27.5% is influenced by other variables that were not studied in this study.

The f *Square* value of 0.02 indicates a small rating, Effect Size 0.15 indicates a medium rating and Effect Size 0.35 indicates a large rating (Cohen, 1988 in Yamin and Kurniawan (2011: 21). Based on the test results with SmartPLS 3, F Square results were obtained as follows.

Table 6. F-square6

<mark>Variable</mark>	Effect Size	Rating
Entrepreneurial Interest (Y)		
Creativity $(X_1)$	0,020	<u>Small</u>
Imagination (X <sub>2</sub> )	0,086	Small
Personality (X <sub>3</sub> )	0,273	Moderate

Based on the above criteria, the variables Creativity  $(X_1)$ , Imagination  $(X_2)$ , and Personality  $(X_3)$  each have an influence with small, small and moderate categories in influencing the variable Entrepreneurial Intensity (Y).

*Q-square* testing is used to measure how well the observation values are produced by the model and also the estimation of its parameters. The value of Q-square is more different from 0 (zero) indicating that the model has a predictive relevance value, while *Q-square* less than 0 (zero) indicates that the model lacks *predictive relevance* (Cohen, 1988 in Yamin and Kurniawan (2011: 21). The Q-square value obtained using the value of R<sup>2</sup> in the table above, obtained the following calculation results:

**Table 7. Q7<sup>2</sup> Predictive Relevance** 

<b>Variable</b>	R Square	1-R Square
Entrepreneurial Interest	0,725	0.275
Q2 =	$Q^2 = 1$ - (1-0.	$\frac{0,275}{725) = 72.5\%}$

The results of the analysis show that the value of the *Q square* is greater than 0, this means that the observed values have been well reconstructed so that the model has predictive relevance. This means that there is 0.725 or 72.5% of the relative effect of structural models on observational measurements for endogenous latent variables, and 27.5% is model error.

The *Original Sample* (O) of 0.618 shows that the direction of influence of Personality ( $X_3$ ) on Entrepreneurial Intensity (Y) is positive and unidirectional, meaning that the higher the personality, the more it increases the entrepreneurial itency. The influence of Personality ( $X_3$ ) on Entrepreneurial Intensity (Y) is significant, with a t-statistic value of 2.181 greater than t table or 2.181 > 1.96, and a *p value* of 0.030 smaller than alpha 5% (0.05). Thus, Personality ( $X_3$ ) has a significant effect on Entrepreneurial Interest (Y).

#### 5.Conclusion →8

Creativity has no significant effect on Entrepreneurial Confidence; Imagination has no significant effect on Entrepreneurial Intent; and Personality has a significant effect on Entrepreneurial Significance.

#### 6. References →9

- Ardiana, I.D.K.R, Brahmayanti, L.., & Subaedi. (2010). *HR Competence and Its Impact on SME Performance in Surabaya*. Faculty of Economics, University of August 17, 1945.
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  - Conclusion should be wrote in simple way, specific to the main results. Conclusion in abstract should not showed statistic results.
- 4→Introduction should be showed the urgency of study (epidemiology data), biological plausibility concept, and lack of knowledge in the study.
  - Paragraph 1→ need improvement in urgency of study and explain more about epidemiology data. Authors do not only show the data, but try to elaborate and make comparison about the data from year to year.
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- 6→ Results should be showed baseline characteristics subject of study, main results of study. Authors must be focused and try to make results no more table and figure.
- 7→ Discussion should be explored more biological plausibility, not only showed about statistical results.
- 8→ Conclusion should more specific and not more showed statistical results
- 9→ Authors must check the references for make update references. References should no more than 10 years.

## **Reviewer 2: Revision required**

# Development of Village Youth Entrepreneurship Model to Increase Income of Wetland Village Communities→1

Hastin Umi Anisah<sup>1\*</sup>, Isnawati<sup>2</sup>, Rifqi Novriyandana<sup>2</sup>, Nor Hikmah<sup>2</sup>

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#### Abstract→3

The low competitiveness of human resources is highly correlated with the low potential and economic ability of the community, which leads to higher poverty rates. Intervention on the economic capacity of the community needs to be done to prevent the adverse effects of the lack of quality human resources. Entrepreneurship is a very important aspect to be developed in society, as a form of economic intervention. This study aims to develop an entrepreneurial model of village youth to increase the income of wetland villages. The study is an observational study in East Beranggas Village, Alalak District, Barito Kuala Regency, South Kalimantan Province Indonesia. Data analysis was carried out with PLS-SEM facilitated with SmartPLS 3. Creativity has no significant effect on Entrepreneurial Confidence; Imagination has no significant effect on Entrepreneurial Significance.

Keywords: Entrepreneurship model, Income, Village youth > 2

### 1.Introduction →4

The Community Development Index (HDI) is strongly influenced by education, health, and income factors. Therefore, with the increase in informal knowledge / education, it is expected to increase income and decent living standards. HDI is an important indicator to measure success in efforts to build the quality of human life (community / population). In addition, HDI can determine the rank or level of development of a region/country. The rapid development of technology and the increasing complexity of business competition demand a greater role of Human

Resource Management. This change in the business environment has led to the recognition of the importance of HR as a source of competitive advantage. Therefore, Human Resources who have high competence are seen as being able to support the increase in community income.

Barito Kuala Regency is one of the districts in Indonesia with a relatively low level of education. The majority of the population only graduated from elementary school, of course, this will be a potential problem both from a social and economic aspect. The lack of education level correlates with low HDI and leads to low competitiveness of human resources. The low competitiveness of human resources is highly correlated with the low potential and economic ability of the community, which leads to higher poverty rates. Intervention on the economic capacity of the community needs to be done to prevent the adverse effects of the lack of quality human resources. Entrepreneurship is a very important aspect to be developed in society, as a form of economic intervention.

Entrepreneurship is a group of knowledge that seeks to develop the mindset of the community to be willing and dare to take concrete actions to do various things in order to solve various problems of society, which will lead to economic life. People must be trained to think creatively by always trying to see the economic opportunities and potential of every problem that arises in their community. This study aims to develop an entrepreneurial model of village youth to increase the income of wetland villages.

### 2.Literature review → 5

Competence is the ability and willingness to perform tasks with effective performance. This is in accordance with (Spencer &; Spencer, 1993) which states that knowledge, skills and abilities are factors that have a dominant influence on HR competence. (Ardiana et al., 2010) also stated in their research that knowledge is the mastery of science and technology that a person has and is obtained through the learning process and experience during his life. A skill is a special capacity to physically manipulate an object. Ability is the capacity of an individual to perform various tasks in a job. Where the three indicators of HR competence have a significant influence on the performance of MSMEs which certainly have an impact on the competitiveness of MSMEs.

In the entrepreneurial process, an entrepreneurial orientation is needed because entrepreneurial orientation determines the direction of business movement that has been pioneered (Knight, 2000). The purpose of entrepreneurial orientation is to take advantage of business

opportunities that affect business performance (Wiklund, 1999). Entrepreneurial orientation relates to the way of entrepreneurship in the methods used, habits and decision-making styles used in entrepreneurship (Lee et al., 2000). In rural communities, especially village youth who are expected to be village successors in terms of farming, entrepreneurial competence is needed which is an important factor needed by business actors to face challenges in the development of a dynamic world and affect performance (Dhamayantie, 2017). Entrepreneurial competence is influenced by internal, external and environmental factors (Aviati, 2015). Furthermore (Aviati, 2015) stated that internally entrepreneurial competence is influenced by the desire for achievement, education and experience while externally what encourages entrepreneurial competence is opportunity, experience and creativity.

The model of entrepreneurial intention formation comes from the theoryof planned behavior (TPB) developed by Icek Ajzen. The SDGs state that a person's behavior appears regularly and sequentially, not originating from impulsive and spontaneous decisions, but has gone through a series of planning steps, through many experimental attempts that evolutionarily form and reinforce intentions(Ajzen, 1991; Bosnjak et al., 2020). As with any entrepreneurial activity preceded by a series of sequential steps that reinforce entrepreneurial intentions. According to TPB, a person's intention to behave certain is influenced by 3 variables, namely attitude, social norms, and self-efficacy.

### 3. Methods → 6

This study is an observational study to determine the factors that play a role in the development of business intentions as well as the relationships and models between these factors. This study was conducted in East Beranggas Village, Alalak District, Barito Kuala Regency, South Kalimantan Province Indonesia. The study location is a food insecure village with a high poverty rate. The primary data of the study were collected by survey to village youth as a group of respondents for the study. The outline of the results of the analysis on multivariate with PLS-SEM facilitated with SmartPLS 3, is a verifiative statistical analysis consisting of, outer model testing / measurement model, structural model testing / inner model and hypothesis testing. The outer model test consists of: 1) convergent validity analysis, 2) discriminant validity test, and 3) reliability test. Test the structural/inner model will produce R-square, f-square, and Q2 predictive relevance.

# 4. Results and discussion >7

Convergent validity is a test of construct validity. An indicator is said to have good validity if it has a loading factor value greater than 0.70 (Hair et al, 2017a). Based on the estimation results using the help of the SmartPLS 3 program application, the following model testing outputs were obtained.

**Table 1. 1**Outer model test results.

	Construk	Loading Factor	R critical	Criteria (Loading Factor $\geq 0.70$ )
	371.1		0.70	
	X1.1 <- Creativity (X1)	0.893	0,70	Valid
	X1.2 <- Creativity (X1)	0.837	0,70	Valid
	X1.3 <- Creativity (X1)	0.852	0,70	Valid
	X1.4 <- Creativity (X1)	0.788	0,70	Valid
(X2)	X2.1 <- Imagination	0.911	0,70	Valid
(X2)	X2.2 <- Imagination	0.874	0,70	Valid
(X2)	X2.3 <- Imagination	0.920	0,70	Valid
(X3)	X3.1 <- Personality	0.792	0,70	Valid
(X3)	X3.10 <- Personality	0.783	0,70	Valid
(X3)	X3.2 <- Personality	0.765	0,70	Valid
(X3)	X3.3 <- Personality	0.871	0,70	Valid
(X3)	X3.4 <- Personality	0.799	0,70	Valid

Construk	Loading Factor	R critical	Criteria ( <i>Loading</i> Factor > 0.70)
X3.5 <- Personality (X3)	0.845	0,70	Valid
X3.6 <- Personality (X3)	0.840	0,70	Valid
X3.7 <- Personality (X3)	0.759	0,70	Valid
X3.8 <- Personality (X3)	0.823	0,70	Valid
X3.9 <- Personality (X3)	0.871	0,70	Valid
Y1 <- Entrepreneurial Significance (Y)	0.894	0,70	Valid
Y2 <- Entrepreneurial Awareness (Y)	0.943	0,70	Valid
Y3 <- Entrepreneurial Significance (Y)	0.920	0,70	Valid

Similarly, the resulting AVE (*Average Variance Extracted*) value which is greater than or equal to 0.5 (R-critical) shows that the latent variable in the study has good (Hair et al., 2019) *convergent validity*.

 Table 2. 2Convergent validity.

Latant	Average Variance	R	Criterion
Latent	Extracted (AVE)	critical	$(AVE \ge 0.5)$
Creativity (X1)	0,864	0,5	Valid
Imagination (X2)	0,885	0,5	Valid
Personality (X3)	0,944	0,5	Valid

Entrepreneurial	0,908		
Interest (Y)	0,908	0,5	Valid

Discriminant validity is seen from the *resulting cross loading* value – according to Fornell and Larcker, by paying attention to the correlation value of the indicator to the construct which must be greater than the correlation value between the indicator and other constructs. (Ghozali & Fuad, 2014:45)

Table 3. 3Discriminant validity test results

	Creativity	Imagination	Personality	Entrepreneurial
	(X1)	(X2)	(X3)	Interest (Y)
X1.1	0.893	0.737	0.700	0.560
X1.2	0.837	0.701	0.782	0.637
X1.3	0.852	0.749	0.713	0.630
X1.4	0.788	0.754	0.593	0.521
X2.1	0.768	0.911	0.818	0.756
X2.2	0.795	0.874	0.764	0.687
X2.3	0.796	0.920	0.820	0.735
X3.1	0.730	0.748	0.792	0.628
X3.2	0.652	0.700	0.765	0.580
X3.3	0.738	0.819	0.871	0.699
X3.4	0.625	0.658	0.799	0.744
X3.5	0.755	0.838	0.845	0.734
X3.6	0.665	0.704	0.840	0.628
X3.7	0.670	0.628	0.759	0.727
X3.8	0.606	0.683	0.823	0.577
X3.9	0.726	0.797	0.871	0.835
X3.10	0.594	0.643	0.783	0.585
Y1	0.653	0.743	0.717	0.894
Y2	0.667	0.754	0.814	0.943

0.720	Y3	0.614	0.726	0.774	0.920
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With a high cross loading value compared to other costs, it was concluded that the model in the study had good discriminant validity. The quality of construct reliability is determined based on Cronbach's Alpha and Composite Reliability scores produced. As for the reliability of these three research constructs, the latent construct has a Cronbach's alpha value of more than 0.6, (Table 4), indicating that the latent construct has good reliability. In addition, the value of composite reliability of all latent constructs also has a value greater than 0.60. Based on Cronbach's alpha and composite reliability values obtained, it shows that the model has good reliability (Hair et al., 2017, 2019).

Table 4. 4Cronbach's Alpha and Composite Reliability Values

Latent	Cronbach's	Composite
Latent	Alpha	Reliability
Creativity (X1)	0,864	0,908
Imagination (X2)	0,885	0,929
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Entrepreneurial Interest (Y)	0,908	0,943

The next tests are the structural/inner mode model test and the hypothesis test. Inner model evaluation is an analysis of the results of relationships between constructs. Inner model testing consists of R square, F-square, Q-square predictive relevance, and hypothesis test. The criterion of a strong model is an R-square value of 0.670; 0.33 moderate/moderate; and 0.19 is weak. The R-square produced in this study is presented in Table 5. next. (Chin, 1998)

Table 5. 5R-square

	R Square	Strong Relationships
Entrepreneurial Interest (Y)	0,725	Strong

Based on the chiteria, the R Square value with a value of 0.67 indicates a strong model, a value of 0.33 indicates a moderate model and a value of 0.19 indicates a weak model. From the results of Table 5.5, it can be seen that the R-Square for the variable Entrepreneurial Interest (Y) is 0.725 which means that Creativity ( $X_1$ ), Imagination ( $X_2$ ), and Personality ( $X_3$ ) simultaneously affect Entrepreneurial Interest (Y) by 72.5%, while the remaining 27.5% is influenced by other variables that were not studied in this study.

The f *Square* value of 0.02 indicates a small rating, Effect Size 0.15 indicates a medium rating and Effect Size 0.35 indicates a large rating (Cohen, 1988 in Yamin and Kurniawan (2011: 21). Based on the test results with SmartPLS 3, F Square results were obtained as follows.

Table 6. F-square6

Variable	Effect Size	Rating
Entrepreneurial Interest (Y)	1	
Creativity (X <sub>1</sub> )	0,020	Small
Imagination (X <sub>2</sub> )	0,086	Small
Personality (X <sub>3</sub> )	0,273	Moderate

Based on the above criteria, the variables Creativity  $(X_1)$ , Imagination  $(X_2)$ , and Personality  $(X_3)$  each have an influence with small, small and moderate categories in influencing the variable Entrepreneurial Intensity (Y).

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**Table 7. Q7<sup>2</sup> Predictive Relevance** 

Variable	R Square	1-R Square	
Entrepreneurial Interest (Y)	0,725	0,275	
Q2 =	$Q^2 = 1$ - (1-0.	$Q^2 = 1 - (1-0.725) = 72.5\%$	

The results of the analysis show that the value of the *Q square* is greater than 0, this means that the observed values have been well reconstructed so that the model has predictive relevance. This means that there is 0.725 or 72.5% of the relative effect of structural models on observational measurements for endogenous latent variables, and 27.5% is model error.

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## 5.Conclusion →8

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- 6→ Results should be showed baseline characteristics subject of study, main results of study. Authors must be focused and try to make results no more table and figure.
- 7→ Discussion should be explored more biological plausibility, not only showed about statistical results.
- 8→ Conclusion should more specific and not more showed statistical results
- 9→ Authors must check the references for make update references. References should no more than 10 years.

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# Development of a Village Youth Entrepreneurship Model to Increase the Income of Wetland Village Communities

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### ABSTRACT

The low competitiveness of human resources is highly correlated with the low potential and ability of the people's economy, which leads to higher poverty rates. Intervention in the economic capacity of the community needs to be carried out in order to prevent the negative effects of the lack of quality human resources. Entrepreneurship is a very important aspect to be developed in society as a form of economic intervention. This study aimed to develop a village youth entrepreneurship model to increase the income of wetland villages. This study is an observational study in Beranggas Timur Village, Alalak District, Barito Kuala Regency, South Kalimantan Province, Indonesia. Data analysis was carried out with PLS-SEM facilitated by SmartPLS 3. Creativity has no significant effect on entrepreneurial intention; Imagination has no significant effect on entrepreneurial intention; and personality has a significant effect on entrepreneurial intention.

### 1. Introduction

The human development index (HDI) is strongly influenced by factors of education, health, and people's income. Therefore, with increased knowledge/education informal, it is expected to increase income and a decent standard of living. HDI is an important indicator to measure success in efforts build human to quality (community/population). In addition, HDI can determine the rank or level of development of a region/country. The rapid development of technology and the increasing complexity of business competition demands role resource bigger in human management. This change in the

environment has led to the recognition of the importance of human resources as a source of competitive advantage. Therefore, human resources which have high competence are seen as able to support increasing people's income.

Barito Kuala Regency is one of the districts in Indonesia with a relatively low level of education. The majority of the population only graduated from elementary school. Of course, this would be a potential problem from a good perspective on society and the economy. The minimum level of education correlates with low HDI and leads to low HR competitiveness. The low competitiveness of human resources is highly correlated with the low potential and ability of the



people's economy, which leads to higher poverty rates. Intervention in the economic capacity of the community needs to be carried out in order to prevent the negative effects of the lack of quality human resources. Entrepreneurship is a very important aspect to be developed in society as a form of economic intervention.

Entrepreneurship is a group of knowledge that seeks to develop the mindset of the community so that they are willing and courageous to take real action to do various things in order to solve various community problems, which will lead to economic life. People must be trained to think creatively by always trying to see opportunities and economic potential in every problem that arises in their community. This study aimed to develop a village youth entrepreneurship model to increase the income of wetland villages.

### 2. Literature Review

Competence is the ability and willingness to perform tasks with effective performance. This is in accordance with (Spencer, 1993), which states that knowledge, skills, and abilities are factors that have a dominant influence on competence HR. (Ardiana et al., 2010) Also stated in their research that knowledge is mastery of science and technology that owned a person obtained through the process of learning and experience during life. Skill is a special capacity to manipulate an object physically. Ability is the capacity of an individual to do various tasks in a job. Where are the three indicators of competence? These human resources have a significant influence on the performance of MSMEs, which of course, has an impact on the competitiveness of MSMEs.

In the entrepreneurial process, entrepreneurial orientation is needed because entrepreneurial orientation determines the direction of the business that has been initiated (Knight, 2000). The purpose of entrepreneurial orientation is to take advantage of business opportunities that affect business performance (Wiklund, 1999). Entrepreneurial

orientation is related to the way of entrepreneurship in methods used, habits, and decision-making styles used in entrepreneurship (Lee et al., 2000). In rural communities, especially village youth who are expected to be the successors of the village in terms of farming, entrepreneurial competence is very much needed, which is an important factor needed by business actors to face challenges in the development world that is dynamic and influences performance (Dhamayantie, 2017). Entrepreneurial competence is influenced by internal, external, and environmental factors (Aviati, 2015). Further (Aviati, 2015) stated that internally, entrepreneurial competence is influenced by the desire for achievement, education, and experience, while externally, what encourages entrepreneurial competence opportunity, experience, and creativity.

The model for forming entrepreneurial intentions comes from the theory of planned behavior (TPB) developed by Icek Ajzen. TPB states that a person's behavior appears regularly and sequentially, does not originate from impulsive and spontaneous decisions, but has gone through a series of planning steps, through many trial and error efforts that evolutionarily shape and strengthen intentions (Ajzen, 1991; Bosnjak et al., 2020). Just as entrepreneurial activity is preceded by a series of sequential steps that strengthen entrepreneurial intentions. According to TPB, a person's intention to behave in a certain way is influenced by 3 variables, namely attitudes, social norms, and self-efficacy.

### 3. Methods

This study is an observational study to determine the factors that play a role in the development of business intentions as well as the relationships and models between these factors. This study was conducted in Beranggas Timur Village, Alalak District, Barito Kuala Regency, South Kalimantan Province, Indonesia. The study location is a food-insecure village with a high poverty rate. The primary research data



was collected by a survey of village youth as the respondent group for the research. The outline of the results of the multivariate analysis with PLS-SEM facilitated with SmartPLS 3, is a statistical verification analysis consisting of testing the outer model/measurement model, testing the model structural/inner model, and hypothesis testing. The outer model test consists of: 1) convergent validity analysis, 2) discriminant validity test, and 3) reliability test. Test models structural/inner model will produce

R-square, F-square, and Q2 predictive relevance.

### 4. Results and Discussion

Convergent validity is a construct validity test. An indicator is said to have good validity if it has a loading factor value greater than 0.70 (Hair et al., 2017a). Based on the estimation results using the help of the SmartPLS 3 program application, the output of the model test is obtained as follows.

Table 1. Outer model test results.

Construct	Loading factor	R critical	Criteria (loading factor $\geq$ 0.70)
X1.1 <- Creativity (X1)	0.893	0,70	Valid
X1.2 <- Creativity (X1)	0.837	0,70	Valid
X1.3 <- Creativity (X1)	0.852	0,70	Valid
X1.4 <- Creativity (X1)	0.788	0,70	Valid
X2.1 <- Imagination (X2)	0.911	0,70	Valid
X2.2 <- Imagination (X2)	0.874	0,70	Valid
X2.3 <- Imagination (X2)	0.920	0,70	Valid
X3.1 <- Personality (X3)	0.792	0,70	Valid
X3.10 <- Personality (X3)	0.783	0,70	Valid
X3.2 <- Personality (X3)	0.765	0,70	Valid
X3.3 <- Personality (X3)	0.871	0,70	Valid
X3.4 <- Personality (X3)	0.799	0,70	Valid
X3.5 <- Personality (X3)	0.845	0,70	Valid
X3.6 <- Personality (X3)	0.840	0,70	Valid
X3.7 <- Personality (X3)	0.759	0,70	Valid
X3.8 <- Personality (X3)	0.823	0,70	Valid
X3.9 <- Personality (X3)	0.871	0,70	Valid
Y1 <- Entrepreneurial intention (Y)	0.894	0,70	Valid
Y2 <- Entrepreneurial intention (Y)	0.943	0,70	Valid
Y3 <- Entrepreneurial intention (Y)	0.920	0,70	Valid

Likewise, the AVE value (average variance extracted), which is greater than or equal to 0.5 (R-

critical) (Hair et al., 2019), shows that latent variables in research have good convergent validity.



Table 2. Convergent validity.

Latent	The average variance extracted (AVE)	R critical	Criteria (AVE > 0.5)
Creativity (X <sub>1</sub> )	0,864	0,5	Valid
Imagination (x2)	0,885	0,5	Valid
Personality (X <sub>3</sub> )	0,944	0,5	Valid
Entrepreneurial intention (Y)	0,908	0,5	Valid

Discriminant validity is seen from the value cross loading produced- according to Fornell and Larcker, by taking into account the correlation value of the indicator to the construct, which must be greater than the correlation value between the indicator and the construct construction others (Ghozali, 2014).

Table 3. Discriminant validity test results.

	Creativity (X1)	Imagination (x2)	Personality (X3)	Entrepreneurial intention (Y)
X1.1	0.893	0.737	0.700	0.560
X1.2	0.837	0.701	0.782	0.637
X1.3	0.852	0.749	0.713	0.630
X1.4	0.788	0.754	0.593	0.521
X2.1	0.768	0.911	0.818	0.756
X2.2	0.795	0.874	0.764	0.687
X2.3	0.796	0.920	0.820	0.735
X3.1	0.730	0.748	0.792	0.628
X3.2	0.652	0.700	0.765	0.580
хз.з	0.738	0.819	0.871	0.699
X3.4	0.625	0.658	0.799	0.744
X3.5	0.755	0.838	0.845	0.734
X3.6	0.665	0.704	0.840	0.628
X3.7	0.670	0.628	0.759	0.727
X3.8	0.606	0.683	0.823	0.577
X3.9	0.726	0.797	0.871	0.835
X3.10	0.594	0.643	0.783	0.585
Y1	0.653	0.743	0.717	0.894
Y2	0.667	0.754	0.814	0.943
Y3	0.614	0.726	0.774	0.920

With a high cross-loading value compared to construction otherwise, it can be concluded that the model in this study has good discriminant validity. The quality of construct reliability was determined based on the resulting Cronbach's alpha and composite reliability scores. Good reliability criteria that must be

met are 0.6 - 0.7 (Hair et al., 2017, 2019). As for the reliability of the three constructs of this study, the latent construct has a Cronbach's alpha value of more than 0.6 (Table 4), which indicates that the latent construct has reliability the good one. In addition, the composite reliability value of all latent constructs also



has a value greater than 0.60. Based on Cronbach's alpha and composite reliability values obtained show

that the model has good reliability.

Table 4. Cronbach's alpha value and composite reliability.

Latent	Cronbach's alpha	Composite reliability
Creativity (X1)	0,864	0,908
Imagination (x2)	0,885	0,929
Personality (X <sub>3</sub> )	0,944	0,952
Entrepreneurial intention (Y)	0,908	0,943

The next test is the model test structural/inner mode and hypothesis testing. Evaluation of the inner model is an analysis of the results of the relationship between constructs. Inner model testing consists of R-square, F-square, and Q-square predictive relevance

and hypothesis testing. The criterion for a strong model is the R-square value of 0.670; 0.33 moderate/moderate; and 0.19 is weak (Chin, 1998). The R-square produced in this study is presented in Table 5 below.

Table 5. R-square.

	R square	Strong relationship
Entrepreneurial intention (Y)	0,725	Strong

Based on the criteria above, then the R Square value with a value of 0.67 indicates a strong model, a value of 0.33 indicates a moderate model and a value of 0.19 indicates a weak model. From the results of Table 5 it can be seen that the R-Square for the variable Entrepreneurial Intention (Y) is 0.725, which means that Creativity  $(X_1)$ , Imagination  $(X_2)$ , and Personality  $(X_3)$  simultaneously influence Entrepreneurial Intention (Y) by 72.5%, while the

remaining 27.5% is influenced by other variables not examined in this study.

An F-square value of 0.02 indicates a small rating, an effect size of 0.15 shows a medium rating, and an effect size of 0.35 indicates a large rating (Cohen, 1988 in Yamin, 2011). Based on the test results with SmartPLS 3, the F Square results are as follows.

Table 6. F-square.

Variable	Effect size	Rating
Entrepreneurial intention (Y)		
Creativity (X <sub>1</sub> )	0,020	Small
Imagination (X <sub>2</sub> )	0,086	Small
Personality (X <sub>3</sub> )	0,273	Moderate

Based on the above criteria, the creativity variable  $(X_1)$ , Imagination  $(X_2)$ , and Personality  $(X_3)$  each have an influence with small, small, and moderate categories in influencing the variable Entrepreneurial Intention (Y).

Testing Q-square is used to measure how well the observed values are produced by the model and also the parameter estimates. The Q-square value is bigger than 0 (zero), indicating that the model has a predictive value relevance, whereas a Q-square less



than 0 (zero) indicates that the model lacks predictive relevance (Cohen, 1988 in Yamin, 2011). Q-value square, which is obtained using the value of R<sup>2</sup> in the

table above, the following calculation results are obtained:

Table 7. Q<sup>2</sup> predictive relevance.

Variable	R Square	1-R Square		
Entrepreneurial intention (Y)	0,725	0,275		
Q2 =	$Q^2 = 1 - (1-0.725) = 72.5\%$			
Error =	$Q^2 = 100\% - 72,5\% = 27,5\%$			

The results of the analysis show that the Q square value is greater than 0. This means that the observed values have been reconstructed properly so that the model has predictive relevance. This means that there is 0.725 or 72.5% relative effect of the structural model on observational measurements for endogenous latent variables, and as much as 27.5% is a model error.

The original sample value (O), which is equal to 0.618, indicates that the direction of influence from Personality  $(X_3)$  on entrepreneurial intentions (Y) is positive and unidirectional, meaning that the more personality increases, the more entrepreneurial intentions increase. Personality influence  $(X_3)$  on entrepreneurial intention (Y) is significant, with a t-statistical value of 2.181 greater than the t-table or 2.181 > 1.96, as well as a p-value of 0.030 smaller than alpha 5% (0.05). Thus personality  $(X_3)$  has a significant effect on entrepreneurial intention (Y).

### 5. Conclusion

Creativity has no significant effect on Entrepreneurial intention; Imagination has no significant effect on entrepreneurial intention; and personality has a significant effect on entrepreneurial intention.

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  Baylor University.



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## **Letter of Acceptance**

Manuscript "Development of a Village Youth Entrepreneurship Model to Increase the Income of Wetland Village Communities" by Hastin Umi Anisah\*, Isnawati, Rifqi Novriyandana, Nor Hikmah, has been accepted to publish in Open Access Indonesia Journal of Social Sciences Vol 6 issue 2 in April 2023.

# Cordially,



### (\*) Corresponding author

The Coresponding Author can access the acount in website: https://www.journalsocialsciences.com/index.php/oaijss/login

User: hastin\_ua
Password: 210587

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# Development of a Village Youth Entrepreneurship Model to Increase the Income of Wetland Village Communities

### Hastin Umi Anisah1\*, Isnawati2, Rifqi Novriyandana2, Nor Hikmah2

<sup>1</sup>Department of Management, Faculty of Economics and Business, Universitas Lambung Mangkurat, Banjarmasin, Indonesia <sup>2</sup>Department of Accounting, Faculty of Economics and Business, Universitas Lambung Mangkurat, Banjarmasin, Indonesia

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demands bigger role in human resource business management. This change in the environment has led to the recognition of the importance of human resources as a source of competitive advantage. Therefore, human resources which have high competence are seen as able to support increasing people's income.

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economy. The minimum level of education correlates with low HDI and leads to low HR competitiveness. The low competitiveness of human resources is highly correlated with the low potential and ability of the people's economy, which leads to higher poverty rates. Intervention in the economic capacity of the community needs to be carried out in order to prevent the negative effects of the lack of quality human resources. Entrepreneurship is a very important aspect to be developed in society as a form of economic intervention.

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analysis, 2) discriminant validity test, and 3) reliability test. Test models structural/inner model will produce R-square, F-square, and Q2 predictive relevance.

#### 4. Results and Discussion

Convergent validity is a construct validity test. An indicator is said to have good validity if it has a loading factor value greater than 0.70 (Hair et al., 2017a). Based on the estimation results using the help of the SmartPLS 3 program application, the output of the model test is obtained as follows.

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Likewise, the AVE value (average variance extracted), which is greater than or equal to 0.5 (R-

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With a high cross-loading value compared to construction otherwise, it can be concluded that the model in this study has good discriminant validity. The quality of construct reliability was determined based

on the resulting Cronbach's alpha and composite reliability scores. Good reliability criteria that must be met are 0.6 - 0.7 (Hair et al., 2017, 2019). As for the reliability of the three constructs of this study, the



latent construct has a Cronbach's alpha value of more than 0.6 (Table 4), which indicates that the latent construct has reliability the good one. In addition, the composite reliability value of all latent constructs also has a value greater than 0.60. Based on Cronbach's alpha and composite reliability values obtained show that the model has good reliability.

Table 4. Cronbach's alpha value and composite reliability.

Latent	Cronbach's alpha	Compos <mark>it</mark> e reliability
Creativity (X <sub>1</sub> )	0,864	0,908
Imagination (x2)	0,885	0,929
Personality (X <sub>3</sub> )	0,944	0,952
Entrepreneurial intention (Y)	0,908	0,943

The next test is the model test structural/inner mode and hypothesis testing. Evaluation of the inner model is an analysis of the results of the relationship between constructs. Inner model testing consists of R-square, F-square, and Q-square predictive relevance

and hypothesis testing. The criterion for a strong model is the R-square value of 0.670; 0.33 moderate/moderate; and 0.19 is weak (Chin, 1998). The R-square produced in this study is presented in Table 5 below.

Table 5. R-square

	R square	Strong relationship
Entrepreneurial intention (Y)	0,725	Strong

Based on the criteria above, then the R Square value with a value of 0.67 indicates a strong model, a value of 0.33 indicates a moderate model and a value of 0.19 indicates a weak model. From the results of Table 5 it can be seen that the R-Square for the variable Entrepreneurial Intention (Y) is 0.725, which means that Creativity  $(X_1)$ , Imagination  $(X_2)$ , and Personality  $(X_3)$  simultaneously influence Entrepreneurial Intention (Y) by 72.5%, while the

remaining 27.5% is influenced by other variables not examined in this study.

An F-square value of 0.02 indicates a small rating, an effect size of 0.15 shows a medium rating, and an effect size of 0.35 indicates a large rating (Cohen, 1988 in Yamin, 2011). Based on the test results with SmartPLS 3, the F Square results are as follows.

Table 6. F-square.

V <mark>a</mark> riable	Effect size	Rating
Entrepreneurial intention (Y)		
Creativity (X <sub>1</sub> )	0,020	Small
Imagination (X <sub>2</sub> )	0,086	Small
Personality (X <sub>3</sub> )	0,273	Moderate

Based on the above criteria, the creativity variable  $(X_1)$ , Imagination  $(X_2)$ , and Personality  $(X_3)$  each have an influence with small, small, and moderate

categories in influencing the variable Entrepreneurial Intention (Y).

Testing Q-square is used to measure how well the



observed values are produced by the model and also the parameter estimates. The Q-square value is bigger than 0 (zero), indicating that the model has a predictive value relevance, whereas a Q-square less than 0 (zero) indicates that the model lacks predictive relevance (Cohen, 1988 in Yamin, 2011). Q-value square, which is obtained using the value of  $R^2$  in the table above, the following calculation results are obtained:

Table 7. Q<sup>2</sup> predictive relevance.

Variable	R Square	1-R <mark>Sq</mark> uare
Entrepreneurial intention (Y)	0,725	0,275
Q2 =	$Q^2 = 1 - (1 - 0.725) = 72.5\%$	
Error =	Q <sup>2</sup> = 100% - 72,5% = 27,5%	

The results of the analysis show that the Q square value is greater than 0. This means that the observed values have been reconstructed properly so that the model has predictive relevance. This means that there is 0.725 or 72.5% relative effect of the structural model on observational measurements for endogenous latent variables, and as much as 27.5% is a model error.

The original sample value (O), which is equal to 0.618, indicates that the direction of influence from Personality (X<sub>3</sub>) on entrepreneurial intentions (Y) is positive and unidirectional, meaning that the more personality increases, the more entrepreneurial intentions increase. Personality influence (X<sub>3</sub>) on entrepreneurial intention (Y) is significant, with a t-statistical value of 2.181 greater than the t-table or 2.181 > 1.96, as well as a p-value of 0.030 smaller than alpha 5% (0.05). Thus personality (X<sub>3</sub>) has a significant effect on entrepreneurial intention (Y).

### 5. Conclusion

Creativity has no significant effect on Entrepreneurial intention, imagination has no significant effect on entrepreneurial intention; and personality has a significant effect on entrepreneurial intention.

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# CERTIFICATE

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