THE ROLE OF UNIVERSITY RESOURCE SUPPORT AND ENTREPRENEURIAL CHARACTERISTICS ON HALAL STARTUP BUSINESSES

Achsania Hendratmi *)1, Puji Sucia Sukmaningrum*), Muhamad Nafik Hadi Ryandono*)

*)Department of Islamic Economics, Faculty of Economics and Business, Universitas Airlangga Jl. Airlangga 4-6 Surabaya, East Java 60286, Indonesia

Article history:

Received 18 May 2022

Revised 24 June 2022

Accepted 24 July 2022

Available online 30 September 2022

This is an open access article under the CC BY license (https://creativecommons.org/licenses/by/4.0/)





Abstract: This study aims to determine the effect of university resource support, self-efficacy, entrepreneurial motivation, and entrepreneurial competence on halal startup business performance in Indonesia. This quantitative research uses the causal method to analyze the relationship between research variables. The research data was collected in 2021 using questionnaires to 130 students who have been running their businesses for at least the last three months. Statistical analysis using SEM-PLS showed that three of the four research hypotheses were accepted. The study's results found that university resource support and self-efficacy significantly affect the performance of the halal startup business. Meanwhile, entrepreneurial motivation does not positively influence student halal startup business performance. This research is expected to provide a contribution that can be a solution, suggestion, and recommendation that can be used as a reference for university decision-makers in Indonesia. The results of this study are expected to add to the repertoire of scientific literature, especially studies on the management of new halal businesses.

Keywords: business performance, entrepreneurial competence, self efficiency, startup, universities education, universities support

Abstrak: Penelitian ini bertujuan mengetahui pengaruh dukungan sumber daya universitas, efikasi diri, motivasi kewirausahaan dan kompetensi kewirausahaan terhadap kinerja bisnis startup halal di Indonesia. Penelitian ini merupakan penelitian kuantitatif dengan menggunakan metode kausal untuk menganalisis hubungan antar variabel penelitian. Data penelitian ini dikumpulkan pada tahun 2021 dengan mendistribusikan kuesioner kepada 130 mahasiswa yang telah menjalankan bisnisnya paling tidak 3 bulan terakhir. Analisa statistik menggunakan SEM-PLS menunjukkan menerima tiga dari emppat hipotesis penelitian yang ditetapkan. Hasil penelitian menemukan bahwa dengan adanya dukungan sumber daya universitas dan efikasi diri mempengaruhi kinerja bisnis startup halal. Sedangkan motivasi berwirausaha tidak menunjukkan pengaruh positif terhadap kinerja bisnis startup halal mahasiswa. Penelitian ini diharapkan dapat memberikan kontribusi yang dapat menjadi solusi, saran dan rekomendasi yang dapat dijadikan acuan bagi para pengambil keputusan di perguruan tinggi di Indonesia. Hasil penelitian ini diharapkan dapat menambah khasanah literatur ilmiah khususnya kajian tentang pengelolaan usaha halal baru.

Kata kunci: performa bisnis, kompetensi pengusaha, dukungan universitas, self efficiency, startup, pendidikan universitas

Email: achsania.hendratmi@feb.unair.ac.id

¹Corresponding author:

INTRODUCTION

Indonesia's Muslim population in 2021 reached 236.530 million people, or about 86,88% of the total population of Indonesia, and covers 11,92% of the world's Muslim population(Kusnandar, 2021). A large number of Muslim residents will undoubtedly increase the potential for the halal industry to develop. The halal industry can be seen as a critical sector for the future development of Muslims globally(Hussein et al. 2016). According to The State of the Global Islamic Economy Report 2020/2021, the growth rate of Muslim spending in 2019 in various halal sectors such as food and beverages, halal pharmaceuticals and cosmetics, halal clothing, halal tourism, halal media and entertainment, and Islamic finance was 3.2 percent (year on year) with a value of around 2.2 trillion USD. This figure is expected to rise to three trillion by 2023(Dinar Standart, 2020).

Regarding rankings, Indonesia, the country with immense market potential for halal industry development with more than 245 million people, is in the top 10 for the halal sector. Therefore, to increase Indonesia's ranking as a significant market player in the halal industry, all stakeholders in Indonesia must work harder because, currently, the halal industry can significantly contribute to economic growth (Jaffar & Musa, 2014). Startups also see this opportunity.

A "startup" is defined as a type of company with a high projected growth rate due to the intensive use of technology in its construction and development, whose primary goal is to innovate products or services for its clients (Hernández & González, 2017). Strielkowski et al. (2015) explain that startups are new and temporary companies with a business model based on innovation and technology. In addition, this type of company has the potential for rapid growth and scalability. Based on the startup definition above, it can be concluded that a startup is an innovation that has the potential to become a sustainable business. Indonesia is one of the countries with the highest number of startups according to the startup ranking report, which is 2346 startups (Annur, 2022). About 15% of startup founders are millennials, aged approximately 25-38 years. At a relatively young age, most of them are or have completed their studies in college (Katadata, 2019).

As seen from the number of startups in Indonesia, it affects the investment inflow. According to BPKM, the inflow of foreign investment reached 20 to 25 billion US dollars, of which 10% came from the digital economy. This number shows good potential for developing startups (BKPM, 2019). The investment flow into technology/digital-based startups experienced significant growth. Based on research conducted by Scale PR, a digital communications company, the number of startups and total funding during the Covid-19 pandemic exceeded the pre-pandemic period. In the first half of 2021, the money investors gave to startup businesses went up by 91%.

The data records that the number of startup companies in Indonesia that received funding in the first semester of 2021 was 104 startups, or an increase of 40.5% from 74 startups in the same period in 2020 (Rosana, 2021). Total funding, The funding obtained by the 104 technology-based companies from January to June 2021 reached US\$ 3.8 billion, up 91% from US\$ 2 billion in the first half of 2020. The valuation of this funding also rose 216% from US\$ 1.2 billion in the first half of 2019.

Several startups in Indonesia are entering the sharia market and halal products. In general, they are divided into two groups, namely those established to provide products needed by Muslims and those who have expanded their services. There are Ammana, Alami, Dana Syariah, Qazwa, Duha Syariah, Syarfi, Bsalam, GoHalalGo, Waqara, Umra.id, Hijup, and Hijabenka, Ammana, Alami, Dana Syariah, Qazwa, Duha Syariah, Syarfi, Bsalam, GoHalalGo, Waqara, Umra.id, Hijup, and Hijabenka (Agung, 2019). It should be noted that almost all of these names are only divided into two types of services: sharia fintech and umrah marketplace. The concept of halal, which encompasses not only Shariah requirements but also the sustainability concepts of hygiene, sanitation, and safety, makes halal food readily acceptable to consumers concerned about food safety and a healthy lifestyle (Baharuddin et al. 2015)

Figure 1 shows that an increase in the number of products that have been certified halal occurs every year. Likewise, several companies applied for halal product certification in 2011-2018, which shows the company's understanding of the importance of having a halal label in its business.



Figure 1. Halal Certification Statistic LPPOM MUI 2011-2018

Referring to the relatively few sharia business players, the opportunity for this type of economy to grow is significant. By relying on the State of the Global Islamic Economy report above, Indonesia has the opportunity to widen the capacity of sharia business in various sectors. In halal products, for example, some sub-sectors can be of concern to local business actors, such as halal-certified e-commerce products, halal-concept retail, or halal food technology. Many studies have been done on challenges in the halal industry. One of Indonesia's most common issues is the lack of human resourcesn (HR) (Fathoni, 2020; Mubarok & Imam, 2020; Warto & Arif, 2020).

Along with globalization, SMEs encounter more intensely competitive business environments, making it challenging to maintain or improve business performance (Kraus et al. 2012). Numerous studies of entrepreneurship revealed a variety of approaches to analyzing the success of new ventures: psychological, sociological, and economic (Giannantonio & Hurley-Hanson, 2016). By examining these particular relations, we can show how individual, behavioral, and environmental factors interact to reveal individual entrepreneurship's behavioral and psychological traits. One environmental factor is the educational environment (Elnadi & Gheith, 2021; Morris et al. 2017; Noelia & Rosalia, 2020). Entrepreneurship education often improves students' attitudes towards entrepreneurship (Wei et al. 2019). Universities should focus on improving the quality of entrepreneurship

environments as an important part of formal education to produce qualified entrepreneurs. The university's current mission has witnessed a paradigm shift from teaching to a pre-focused approach to economic growth in research, innovation, and entrepreneurship.

In addition to entrepreneurial education factors that shape the entrepreneurial behavior of students, studies have suggested that individual factors can stimulate entrepreneurial behavior. The individual factors, entrepreneurial motivation, namely self-efficacy, and entrepreneurial competence. Entrepreneurial motivation is a desire or drives from within to make competent humans(Shane et al. 2003). The desire in the hearts of students for entrepreneurship is caused by the fact that they have entrepreneurial motivation (Budi & Fensi, 2018). Entrepreneurial self-efficacy refers to the individual's cognition and evaluation of their entrepreneurial ability(Zubair & Khan, 2021). Their ability to be prepared to meet all competition challenges results from their self-efficacy. Entrepreneurial competence reflects the abilities and characteristics of entrepreneurs. Competence is an essential factor that entrepreneurs possess to predict entrepreneurship and characteristics that enable them to their business risks (Kyndt & Baert, 2015). It is essential for the survival and performance of SMMEs (Zizile & Tendai, 2018).

We find two critical gaps in the university entrepreneurial environment literature. First, the elements that make up university support so far have focused only on curriculum (formal) education. Recent research has determined that investigations were carried out on the role of universities in supporting the development of student entrepreneurship in both curriculum and extracurricular support. Second, the study provides insights regarding the role of entrepreneurial competence in moderating the impact of the university environment support on startups.

Therefore, this study aims to explore the effect of university entrepreneurial environment support and see its difference on business performance using data surveys from students of universities. It is hoped that the results of this research can be used as a reference for universities to design appropriate learning systems to support the expansion and improvement of halal startups in Indonesia.

METHODS

This empirical study examines the influence and role of universities on startup businesses. Therefore, this study quantitatively analyzes the variables that affect the performance of startups (Y) as the dependent variable. The data used in this study came from primary and secondary data. The primary data were obtained from questionnaires distributed to 130 Respondents throughout Indonesia in 2021. The data collection method used an online questionnaire sent to the respondent. They were asked twelve questions that indicated research variables.

This study used a survey design optimizing purposive sampling. The criteria for Respondents in this study are students from public and private universities throughout Indonesia who have been running a startup business in any field for at least three months. The questions in the questionnaire are closed questions with a Likert scale of 1-4, ranging from 1 (strongly disagree) to 5 (strongly agree). The following is the operational definition of each variable in the study (Table 1).

Primary data obtained from this study's questionnaire were analyzed using the Partial Least Squares Structured Equestrian Model (PLS-SEM). This technique was chosen for its suitability to the exploratory nature of this study. (Hair et al. 2011) suggested a two-step approach for data analysis. The first step is to analyze the measurement model, and the second is to examine the structural relationships between latent constructs. The two-step approach was designed to establish the measures' reliability and validity before assessing the model's structural relationship. Variable and Indicators in Table 2.

Table 1. Variable operational definition

Variable	Definition
University resource support	Entrepreneurship support by curriculum and extra-curricular resource
Self-efficacy	The strength of a person's belief that he or she can perform the tasks and roles of entrepreneurship well
Entrepreneurial motivation	Representation of expectations for action or action in the future
Entrepreneurial competence	The ability that a person owns in the creation of entrepreneurial activities
Business Performance	Business performance can be defined as the company's potential to adapt to the business environment, along with changes in the market environment consisting of customers, competitors, and other forces that can change the way business works

Table 2. Variable and Indicators

Variable	Indicators
University resource support	University provides intellectual property development office
	Sufficient resources are available
	Availability of financial access
	Availability of technology transfer office
	Availability of university business incubator
	No trouble starting a business
Self-efficacy	Can handle halal business startups properly
	Ready to start your own business
	Understand how to develop a halal startup project
Entrepreneurial motivation	Have a high achievement motive
	Have an independent desire
	Focus on the target
Entrepreneurial competence	Ability in halal marketing
	Ability to develop effective business plans
	Ability to build a network
	Ability in communication skills
	Opportunity finding skills
Business Performance	The business achieves sales growth
	The business has generated enough net profit
	Growth in market share

Four hypotheses were established in this study based on the research framework (Figure 2) that was formed, including:

- H₁: University resource support affects entrepreneurial competence
- H₂: Self-Efficacy affects entrepreneurial competence
- H₃: Entrepreneurial motivation affects entrepreneurial competence
- H₄: Entrepreneurial competence affects student startup halal business performance

Relationship between University Resource Support and Entrepreneurship Competence

Whether part of a degree program or as an extra-curricular activity, entrepreneurship education can equip students and faculty with the necessary skills and knowledge to encourage and support entrepreneurial endeavors (Hayter et al. 2018; Luo et al. 2022; Oladunjoye, 2018). The university evolved internally to provide facilities, and rich human resources, allowing startups to recruit managers and employees, and attract board members and advisors (Breznitz et al. 2018). Activities are undertaken during business development support (commercial networks, incubators, facilities, access to funds) to help companies and universities build strong bonds (Li et al. 2020). Adequate incubator support can support the development of an entrepreneurial culture (Hassan, 2020). The incubator brings together startup entrepreneurs in the same phase of life. Entrepreneurs motivate each other, help each other solve common

problems, and share networks and resources (Hanandeh et al. 2021; Mihalache et al. 2014; Salihu, 2016).

The Relationship between Entrepreneurial Motivation and Entrepreneurial Competence

Motivation, as one of the characteristics of entrepreneurship and entrepreneurial competence, has a positive relationship where individual characteristics are considered as one of the supporting factors in increasing entrepreneurial abilities. Entrepreneurial characteristics have a positive relationship with the entrepreneurial competence of dairy farmers (Muharastri et al. 2015). Strong motivational intentions from individuals will undoubtedly support an entrepreneur with good entrepreneurial competence.

The Relationship of Self-efficacy to Entrepreneurship Competence

As a determinant of actual behavior in business performance, which is moderated by the entrepreneurial competence of students, self-efficacy means that the stronger a person's self-confidence, the better the social interaction and the better the entrepreneurial competence of the participants. It turns out that someone who has much entrepreneurial self-efficacy can deal with difficult situations when they start a new business and work hard to reach their goals (Memon et al. 2019).

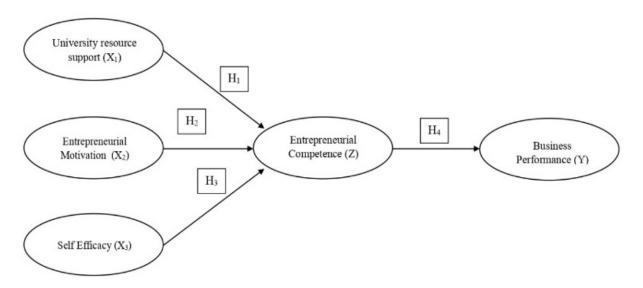


Figure 2. Research framework

A person with solid self-efficacy will also respond positively to negative criticism and use it to improve their performance. These characteristics of self-efficacy may be necessary for the entrepreneurial process because these situations are often ambiguous and require work, persistence, and preparation (Hechavarria et al. 2012). Entrepreneurs with much self-efficacy usually set high growth goals for their efforts and work hard to reach them (Khalil et al. 2021).

The Relationship of Entrepreneurial Competence to Business Performance

There are very few studies using competency-based frameworks. Many researchers have suggested that a competency-based framework puts innovation and global business startups (Eijdenberg et al. 2015). According to (Sajilan & Tehseen, 2019), entrepreneurial competence has a beneficial effect on the performance of small and medium-sized enterprises (SMEs) during economic downturns. As a result, this study suggests that SMEs should prioritize the development of entrepreneurial capabilities in order to deal with this issue more effectively.

The characteristics of entrepreneurial competencies such as technical competence, strategic thinking capacity, and organizational competence will result in high productivity and are critical factors for the survival and performance of startup companies (Hyuk & Park, 2019). Competent entrepreneurs will seek out better business opportunities, and their management abilities will assist them in developing a more suitable business strategy. (Barazandeh et al. 2015) found that skills are the most important entrepreneurial traits, and they positively affect business performance.

RESULTS

Respondent Profile

The total number of primary data points that were collected through the distribution of this research questionnaire was 450. Only 130 Respondentt data were used to meet the characteristics of a reasonably layered academic sample: students who had run an online business for at least three months. The closed questions questionnaire used a Likert scale of 1-4, arranged according to the indicators of each variable in

this study. Table 3 shows that students who have run a business are dominated by women (56.92%), while the rest is men.

Table 3. Statistic descriptive of respondent

Detail	Respondent	Percentage
Gender		
Male	56	43.08%
Female	74	56.92%
Total	130	100.00%
Business Age		
3-6 Month	70	53.85%
> 6 Month	60	46.16%
Total	130	100.00%
Business Sector		
Fashion	35	26.92%
Culinary	35	26.92%
Craft/Merchandise	8	6.15%
Travel	0	0%
IT	22	16.92%
Others	30	23.08%
Total	130	100.00%
Business Turn Over		
<5 Billion	105	80.77%
5-10 Billion	20	15.38%
10-25 Billion	2	1.54%
>25 Billion	3	2.31%
Total	130	100.00%
Student business situation		
Have a business that you run yourself but do not have employees yet	77	59.23%
Have a business that is run with friends/teams but does not have employees yet	45	34.62%
Own a business and already have employees	8	6.15%
Total	130	100.00%

Table 3 shows that 53.85% of entrepreneurs have a business age of 3-6 months, and 46.16% have been in business for more than six months. At the same time, the type of business shows that 26.92% of respondents mainly engage in the fashion and culinary fields. In comparison, 23.08% is filled by other business fields such as beauty, services, and agriculture. Meanwhile, their turnover is 80.77% for less than 5 million per month, 15.38% for 5-10 million, 1.54% for 10-25 million, and 2.31% for more than 25 million.

The business activities carried out by respondents show several conditions, 59.23% own businesses but do not have employees, followed by businesses run with friends/teams and do not have employees by 34.62%, and entrepreneurs who already have employees, namely 6.15%.

Table 4 is used to determine the distribution of Respondentts' areas. In this survey, West Java Province had the highest proportion of student entrepreneurs (23.08%), followed by DKI Jakarta (15.38%) and East Java (15.38%). These statistics show that business interest and ease of access of entrepreneurs on the island of Java, Indonesia are higher than in other regions. Following the predetermined characteristics, the age of business held by most respondents is in the range of 3-6 months (53.85%) and more than six months (46.16%), as shown in Table 4.

Table 4. Description of respondent's domicile

Province	Respondent	Percentage
Banten	13	10.00%
West Java	30	23.08%
DKI Jakarta	20	15.38%
Central Java	8	6.15%
DI Yogyakarta	4	3.08%
East Java	20	15.38%
Aceh	1	0.77%
North Sumatra	5	3.85%
West Sumatra	2	1.54%
Riau	2	1.54%
Jambi	0	0.00%
South Sumatra	5	3.85%
Bengkulu	0	0.00%
Lampung	2	1.54%
Bangka Belitung	0	0.00%
Riau	0	0.00%
West Kalimantan	1	0.77%
Central Kalimantan	1	0.77%
South Kalimantan	4	3.08%
East Kalimantan	2	1.54%
North Sulawesi	1	0.77%
Central Sulawesi	2	1.54%
South Sulawesi	1	0.77%
Bali	4	3.08%
East Nusa Tenggara	1	0.77%
West Nusa Tenggara	1	0.77%
Total	130	100.00%

Structural Equation Modeling Results - Partial Least Squares (SEM-PLS)

The PLS program used is SmartPLS Professional 3.0. PLS consists of two stages. The first stage is testing the external model, while the second is testing the internal model. At this stage, the aim is to test the hypothesis to ensure an influence between the variables. The test was carried out using the t-test.

Convergent Validity

Convergent validity assessment is based on the correlation between item scores and component scores estimated with PLS software. Individual reflexive measures are considered high if they correlate more than 0.70 with the measured construct. However, for research in the early stages of developing a measurement scale, a loading value of 0.5 to 0.6 is considered sufficient. In this study, a loading factor limit of 0.6 will be used. The value of the outer model, or the correlation between the construct and the variables, has met convergent validity because it has a loading factor value of 0.60. The conclusion is that the constructs for all variables can be used to test the hypothesis.

Discriminant Validity

The discriminant validity of a model is said to be good if each loading value of each latent variable indicator has a loading value more significant than the loading value of the other latent variables. The loading factor value for the latent variable indicator is greater than the other latent variables. That is, the latent variable has good discriminant validity.

Reliability and Average Variance Extracted (AVE)

The validity and reliability criteria can be seen from the reliability value of a construct and the average variance extracted (AVE) value of each construct. The construct is said to have high reliability if the value is 0.70 and the AVE is above 0.50. Table 5 presents the construct validity and reliability values for all variables. The data shows that all variables have an AVE value greater than 0.5. With this result, all latent dimensions of each latent variable have fairly good construct validity. Furthermore, construct reliability is measured by the value of composite reliability. If the composite reliability value is above 0.70, the indicator is said to be consistent in measuring the latent variable.

The structural model, or inner model, is evaluated by looking at the percentage of variance, looking at R2 for the dependent latent construct using the Stone-Geisser Q Square test, and looking at the structural path coefficients. The stability of the estimation was tested with t-statistics through a bootstrap procedure. The significance level of the t-test must be less than 0.05. The calculation results are shown in Figure 3.

Hypothesis test

Table 6 shows that the three hypotheses have a significant effect. The direction of the direct influence relationship is entirely positive, meaning that as more exogenous variables increase, the endogenous variables will also increase. The results showed that entrepreneurial motivation had no significant effect on entrepreneurial competence because the P-value of 0.305 was more significant than 0.05. Meanwhile, university resource support significantly affects entrepreneurial competence with a probability value of

0.001, less than 0.05. Concerning the self-confidence variable, the table shows a significant effect on entrepreneurial competence with a probability value of 0.0001. Furthermore, entrepreneurial competence significantly affects business performance with a probability of 0.0001. In addition to direct testing, this study also obtained indirect effects. The results of the indirect effects are summarized in Table 7.

The Table 7 shows that resource support affects the performance of the halal startup business through increasing entrepreneurial competence, with a P value of 0.001 or less than 0.05. Likewise, the self-efficacy variable significantly influences the student's halal startup business performance through entrepreneurial competence. With a P value of 0.000, it is smaller than 0.05. Meanwhile, different results are shown by the entrepreneurial motivation variable on startup business performance with a P value of 0.331 or greater than 0.05.

Table 5. Discriminant validity

	Cronbach's Alpha	Composite Reliability	Average Variance Extracted (AVE)
Resource Support	0.864	0.901	0.646
Entrepreneurial Motivation	0.749	0.856	0.665
Self-efficacy	0.862	0.907	0.709
Business Performance	0.919	0.943	0.805
Entrepreneurial Competence	0.781	0.859	0.604

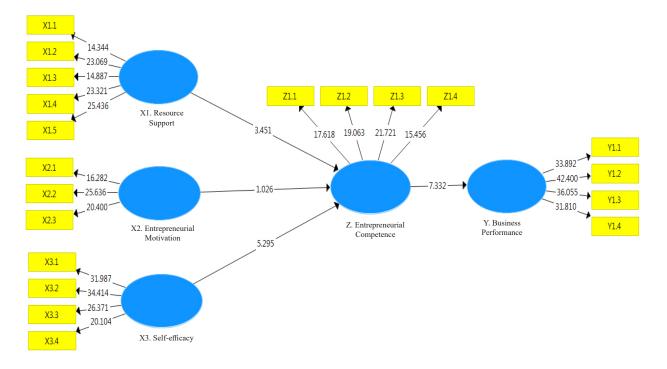


Figure 3. Inner loading

Table 6. Path coefficient bootstrapping

	T Statistics	P Values	Detail
Resource Support → Entrepreneurial Competence	3.451	0.001	Significant
Entrepreneurial motivation → Entrepreneurial Competence	1.026	0.305	Not Significant
Self-efficacy → Entrepreneurial Competence	5.295	0.000	Significant
Entrepreneurial competence → Business Performance	7.332	0.000	Significant

Table 7. Value of indirect hypothesis testing

	T Statistics	P Values	Details
Resource Support → Entrepreneurial Competence → Business Performance	3.271	0.001	Significant
Entrepreneurial motivation \rightarrow Entrepreneurial Competence \rightarrow Business Performance	0.974	0.331	Not Significant
Self-efficacy → Entrepreneurial Competence → Business Performance	4.015	0.000	Significant

An inner or structural model is used to ensure that the structural model being built is sturdy and accurate. In testing the inner model, the method used can be seen in three ways, namely, the values of Determinant Coefficient (R^2) and Predictive Relevance (Q^2).

Determinant Coefficient (R²)

Structural model testing is done by looking at the value of the R-square goodness-of-fit test. We can see the internal model testing from the R-square value in the equations between latent variables. The value of R^2 explains how much the exogenous variable (independent or independent) in the model can define the endogenous variable (dependent or dependent).

The results showed (Table 8) that university characteristics and support influence were 0.504, or 50.4%. In comparison, the remaining 49.6% was influenced by other factors such as social support from family or friends and external factors such as economic conditions. While the magnitude of the influence of student entrepreneurial competence on the performance of a halal startup business is 0.241, or 24.1%, the remaining 75.9% is influenced by other variables not examined in this study. As is the case according to Hair et al. (2014), R^2 0.5 has a relatively weak independent variable to the dependent variable. On the other hand, if $R^2 > 0.05$, the independent variable is substantial on the dependent variable.

Predictive Relevance (Q²)

Based on the data presented in Table 9, it can be seen that the value of Q square on the dependent (endogenous) variable is 0.191. By looking at this value, it can be concluded that this study has a good observation value because the value of Q square> 0 (zero) is 0191.

The Effect of University Resource Support on Entrepreneurial Competence

Empirical results show H₁ has a significant result where university resource support affects entrepreneurial competence among students. Different support programs must be offered for different entrepreneurs and business ideas, as each case must cover different needs. Entrepreneurial competence is a significant manifestation of personal entrepreneurial ability, and the environment must support the development of this ability (Luo et al. 2022).

Individuals carry entrepreneurial competencies. Students need elements of resources to start businesses and provide sufficient support for the development of entrepreneurial competencies (Luo et al. 2022). Entrepreneurial competence development is influenced by the environment in which the entrepreneur is embedded (Luo et al. 2022). A combination of a company's resources and capabilities will likely give a small business a good start (Bauman & Lucy, 2021).

Table 8. Determinant coefficient

	R Square	R Square Adjusted
Business Performance	0.241	0.235
Entrepreneurial Competence	0.504	0.492

Table 9. Predictive Relevance (Q2) Result

	Q ² (=1-SSE/SSO)
Y. Business Performance	0.191
Z. Entrepreneurial Competence	0.288

This result is different from previous research (Morris et al. 2017), which showed a negative relationship between university resource support and the scope of startup activities, but these findings support research from (Hanandeh et al. 2021; Hassan, 2020; Saeed et al. 2015).

Another example of the support startups need in their early days is financial support (Guerrero et al. 2020; Munari et al. 2015). Funding from universities can help budding students develop and improve relationships with alumni and other stakeholders to improve their campus reputation (Tsukanova et al. 2017). In addition, intellectual property facilities (HAKI), technology facilities, and program support for implementing events or activities related to entrepreneurship can assist the development of student entrepreneurial competencies.

The Effect of Entrepreneurial Motivation on Entrepreneurial Competence

This study's second hypothesis (H_2) shows that entrepreneurial motivation does not affect student competence. This study also revealed that entrepreneurship motivation does not moderate the effect of knowledge base and entrepreneurship competencies on business performance. Students choose to open or run a business as a form of learning, so they do not plan high targets for their business. In line with (Eijdenberg et al. 2015), individuals start a small business more or less unconsciously: not fully aware of their abilities, such as opportunity perception and entrepreneurial motivation.

The Influence of Self-Efficacy on Entrepreneurial Competence

The third finding in the empirical results shows that (H₃) is accepted. Where entrepreneurs' self-efficacy significantly affects entrepreneurial competence, This

finding is in line with research Irsian et al. (2019). Individuals have different levels of self-efficacy beliefs. So that they are systematically unequal in the amount of effort to achieve goals, overcome obstacles, and maintain a persistent pursuit of goals. The strength of confidence and certainty held by entrepreneurs (self-efficacy) will relatively increase the competency of entrepreneurs to face a series of challenges faced in business development (Drnovšek et al. 2010).

According Zubair & Khan (2021) shows that the five dimensions of self-efficacy, namely in terms of marketing, innovation, management, risk-taking, and financial management, are essential to developing to achieve a better level of business performance. From the results of this research questionnaire, it can be seen that students' belief in their ability and readiness to develop a business is the main factor in fostering entrepreneurs' self-confidence.

The Influence of Entrepreneurial Competence on Business Performance

Results, as we expected, confirmed previous studies about the positive impact of entrepreneurial competencies on business performance. It shows that any competitive advantage the entrepreneur gains has little impact on the company's performance. This finding is in line with (Hidayat & Citra, 2020; Kabir et al. 2017; Putra et al. 2019), which State that entrepreneurial competence contributes more to company performance than company characteristics. An entrepreneur with advantages is a strength and must improve weaknesses to produce advantages.

For this reason, business owners must have good competence strengths, such as looking for opportunities, building relationships, analytical skills, strategic planning, and sound characteristics, such as communication and interpersonal skills, to carry out

more coordinated tasks in their business. Entrepreneurs with knowledge, ability, creativity, and imagination will quickly seize opportunities. It is an important factor influencing a business's performance not only during its early stages but also in the future. This competency is an incentive to encourage entrepreneurial wealth creation through high business performance results (Yani et al. 2020). Moreover, it can be obtained from the support of university resources and non-academically. In addition, the self-confidence that each individual has owned.

The Influence of Resource Support and Self-Efficacy on Business Performance is Mediated by Entrepreneurial Competence

Fostering successful halal entrepreneurship is very important in creating economic growth and achieving the halal ecosystem in Indonesia. Because halal culture moderates the relationship between the production process and the firm's financial performance (Zailani et al. 2019). Table 11 previously concluded that entrepreneurial competence is a mediating variable between resource support and self-efficacy in the business performance of halal startups.

Entrepreneur competence is the capability to engage in activities that will lead to successful tasks or outcome completion of a business startup. The support and facilities students have received from the university require the individual's ability to utilize and manage it. These skills may include, for example, oral presentation skills, interpersonal skills, and the ability to prepare and present a business plan for developing resources. In practice, supporting a positive entrepreneurial environment creates conducive conditions for developing and enhancing entrepreneurial competencies among students. It provides competencies for entrepreneurial practice, reinforces positive expectations of entrepreneurial outcomes, and helps improve student startup business performance.

A direct link exists between competencies, value creation, and the firm's strategy and growth (Capaldo et al. 2004). Similarly to self-efficacy, individuals' self-confidence will encourage entrepreneurs' competence to do great work, especially when ensuring their business performance follows the plan.

With the university's resource support program for halal startups, students can improve their knowledge and skills in developing, controlling, organizing, solving problems, and encouraging business performance. By focusing on resources, entrepreneurs can organize resources in the company, creating a good company output in the market.

Managerial Implication

University support and self-efficacy student affected their startup business performance through entrepreneurial competence. This finding shows that students who run startup businesses have the potential to develop a better business performance with several factors, namely the support of soft skills/hard skills from the university and the personality of the students themselves. Because if students have high self-efficacy, they will be able to excel the entrepreneurial competence and do business development work well.

The research's managerial implication is expected to help higher education academics determine methods of developing or growing truly competent startups and creating sustainable products. Meanwhile, investors are expected to cooperate with universities in developing business incubators so that startup founder students find a place for business development.

CONCLUSIONS AND RECOMMENDATIONS

Conclusions

The findings of this study reveal that resource support from universities in both academic and non-academic fields, as well as self-efficacy, has a positive effect on the business performance of halal startup entrepreneurs. While entrepreneurial motivation shows the opposite result, this variable does not show significant results in student halal startup business performance progress.

Based on the study's results, the authors suggest several things that can be done to improve the performance of halal startups with entrepreneurial competence. That is by utilizing social media in broader marketing, preparing effective business plans, building networks with suppliers and consumers, and improving communication and development skills. They need good interpersonal skills to positively impact business

operations, such as increasing market share in the halal sector, sales growth, and appropriate margins. Many things help the ability to be an entrepreneur. It includes the help of resources from the university and the sense of self-efficacy every entrepreneur has. Lastly, Instead of focusing on survival and profit creation, founders will be able to secure more stable business performance when they set clear goals in the business and gradually achieve them.

The results are expected to strengthen the development of science, especially in the field of management, especially in the study of entrepreneurship. The development of the halal trade and entrepreneurship sector needs to be directed at creating a solid domestic trading system to strengthen competitiveness.

Recommendations

This study tests the influence of several factors related to entrepreneurship support at the university level on business performance among students' startup ventures. As this paper is empirical research, it is always constrained by some limitations, and new findings become the basis for new research. First, trends in university entrepreneurship support in Indonesia are observed and examined. Second, the limited number of samples and the limited data on the samples' age. Therefore, it is advised that future research use a larger sample size to generate more convincing results and discuss any additional issues resulting from those findings.

FUNDING STATEMENT: This research did not receive any specific grant from funding agencies in the public, commercial, or not - for - profit sectors.

CONFLICTS OF INTEREST: The authors declare no conflict of interest

REFERENCES

- Agung B. 2019. The rise of sharia market, startups need to buckle-up. https://dailysocial.id/post/sharia-market-is-rising-startups-need-to-buckle-up
- Annur. 2022. Hebat, jumlah startup Indonesia terbanyak ke-5 di dunia. https://databoks.katadata.co.id/datapublish/2022/04/13/

- hebat-jumlah-startup-indonesia-terbanyakke-5-di dunia#:~:text=Indonesia merupakan salah satu dari,urutan kelima terbanyak di dunia.
- Baharuddin K, Kassim NA, Nordin SK, Buyong SZ. 2015. Understanding the halal concept and the importance of information on halal food business needed by potential Malaysian entrepreneurs. *International Journal of Academic Research in Business and Social Sciences* 5(2):170–180.
- Barazandeh M, Parvizian K, Alizadeh M, Khosravi S. 2015. Investigating the effect of entrepreneurial competencies on business performance among early stage entrepreneurs Global Entrepreneurship Monitor (GEM 2010 survey data). *Journal of Global Entrepreneurship Research* 5, 18 (2015). https://doi.org/10.1186/s40497-015-0037-4
- Bauman A, Lucy C. 2021. Enhancing entrepreneurial education: Developing competencies for success. *The International Journal of Management Education* 19(1):100293.
- [BKPM] Badan Koordinasi Penanaman Modal. 2019. Pelaku bisnis startup tawarkan peluang investasi. https://www.bkpm.go.id/id/publikasi/detail/berita/250-pelaku-bisnis-startup-tawarkan-peluang-investasi
- Breznitz SM, Clayton PA, Defazio D, Isett KR. 2018. Have you been served? The impact of university entrepreneurial support on startups' network formation. *The Journal of Technology Transfer* 43(2):343–367.
- Budi B, Fensi F. 2018. Pengaruh pendidikan kewirausahaan dalam menumbuhkan minat berwirausaha. *Jurnal Pengabdian Dan Kewirausahaan* 2(1):1–9.
- Capaldo G, Iandoli L, Ponsiglione C. 2004. Entrepreneurial competencies and training needs of small firms: A methodological approach. 14th Annual IntEnt Conference. University of Napoli Federico II (Italy), 4-7 July 2004.
- Dinar Standart. 2020. State of the global islamic economy report 2020/21. https://cdn. salaamgateway.com
- Drnovšek M, Wincent J, Cardon MS. 2010. Entrepreneurial self-efficacy andbusiness startup: Developing a multi-dimensional

- definition. *International Journal* of Entrepreneurial Behaviour and Research 16(4):329–348. https://doi.org/10.1108/13552551011054516
- Eijdenberg EL, Paas LJ, Masurel E. 2015. Entrepreneurial motivation and small business growth in Rwanda. *Journal of Entrepreneurship in Emerging Economies* 7(3):212-240. https://doi.org/10.1108/JEEE-01-2015-0004
- Elnadi M, Gheith MH. 2021. Entrepreneurial ecosystem, entrepreneurial self-efficacy, and entrepreneurial intention in higher education: Evidence from Saudi Arabia. *International Journal of Management Education* 19(1):100458.https://doi.org/10.1016/j.ijme.2021.100458
- Fathoni MA. 2020. Potret industri halal Indonesia: Peluang dan tantangan. *Jurnal Ilmiah Ekonomi Islam* 6(3):428–435.
- Giannantonio CM, Hurley-Hanson AE. 2016. Entrepreneurial characteristics and careers: American high-tech entrepreneurs. *Journal of Business & Management* 22(2):59–76.
- Guerrero M, Urbano D, Gajón E. 2020. Entrepreneurial university ecosystems and graduates' career patterns: do entrepreneurship education programmes and university business incubators matter? *Journal of Management Development* 39(5):753–775. https://doi.org/10.1108/JMD-10-2019-0439
- Hair JF, Ringle CM, Sarstedt M. 2011. PLS- SEM: Indeed a silver bullet. *Journal of Marketing Theory and Practice* 19(2):139–152.
- Hanandeh R, Alnajdawi SMA, Almansour A, Elrehail H. 2021. The impact of entrepreneurship education on innovative startup intention: the mediating role of entrepreneurial mind-sets. *World Journal of Entrepreneurship, Management and Sustainable Development*. https://doi.org/10.1108/WJEMSD-02-2020-0016
- Hassan NA. 2020. University business incubators as a tool for accelerating entrepreneurship: Theoretical perspective. *Review of Economics and Political Science*. Vol. ahead-of-print No. ahead-of-print. https://doi.org/10.1108/REPS-10-2019-0142
- Hayter CS, Nelson AJ, Zayed S, O'Connor AC. 2018. Conceptualizing academic

- entrepreneurship ecosystems: A review, analysis and extension of the literature. *The Journal of Technology Transfer* 43(4):1039–1082.
- Hechavarria DM, Renko M, Matthews CH. 2012. The nascent entrepreneurship hub: Goals, entrepreneurial self-efficacy and startup outcomes. *Small Business Economics* 39(3):685–701.
- Hidayat M, Citra C. 2020. Pengaruh kompetensi kewirausahaan, orientasi pasar dan motivasi berwirausaha terhadap kinerja bisnis warung kopi di Kota Makassar. *Jurnal Mirai Management* 5(1):244–256.
- Hussein ATT, Singh SK, Farouk S, Sohal AS. 2016. Knowledge sharing enablers, processes and firm innovation capability. *Journal of Workplace Learning* 28(8): 484-495.
- Hyuk KH, Park W. 2019. Impact of entrepreneurial business start-up motivation, entrepreneurial spirit, and entrepreneurial competence characteristics on start-up companies' sustainability: Focusing on the mediating effect of the startup companies' business performance. *Asia-Pacific Journal of Business Venturing and Entrepreneurship* 14(3):59–71.
- Irsian R, Sinaga S, Hutabarat L. 2019. The influence of information technology and motivation on the competencies of human resources in economic faculty students in Medan. Medan International Conference Economics and Business Applied 2019 (MICEBA 2019) 1–6.
- Jaffar MA, Musa R. 2014. Determinants of attitude towards Islamic financing among halal-certified micro and SMEs: A preliminary investigation. *Procedia-Social and Behavioral Sciences* 130:135–144.
- Kabir M, Ibrahim HI, Shah KAM. 2017. Entrepreneurial competency as determinant for success of female entrepreneurs in Nigeria. *Indonesian Journal of Business and Entrepreneurship (IJBE)* 3(2):143.
- Katadata. 2019. Startup di Indonesia banyak didirikan anak muda usia 25-38 tahun. https://katadata.co.id/ariayudhistira/infografik/5e9a51a52ebde/startup-di-indonesia-banyak-didirikan-anak-muda-usia-25-38-tahun
- Khalil M, Khan MA, Zubair SS, Saleem H, Tahir SN. 2021. Entrepreneurial self-

- efficacy and small business performance in Pakistan. *Management Science Letters* 11(6):1715–1724. https://doi.org/10.5267/j.msl.2021.2.011
- Kraus S, Rigtering JP, Hughes M, Hosman V. 2012. Entrepreneurial orientation and the business performance of SMEs: a quantitative study from the Netherlands. *Review of Managerial* Science 6(2):161–182.
- Kusnandar. 2021. RISSC: Populasi muslim Indonesia terbesar di dunia. https://databoks.katadata.co.id/datapublish/2021/11/03/rissc-populasi-muslim-indonesia-terbesar-di-dunia#:~:text=Indonesia menjadi negara dengan populasi,7%25 dari total penduduk Indonesia.
- Kyndt E, Baert H. 2015. Entrepreneurial competencies: Assessment and predictive value for entrepreneurship. *Journal of Vocational Behavior* 90:13–25.
- Li C, Ahmed N, Qalati SA, Khan A, Naz S. 2020. Role of business incubators as a tool for entrepreneurship development: the mediating and moderating role of business startup and government regulations. *Sustainability* 12(5):1822.
- Luo L, Guo M, Huang J, Yang J. 2022. Research on the effect of an entrepreneurial environment on college students' entrepreneurial self-efficacy: The mediating effect of entrepreneurial competence and moderating effect of entrepreneurial education. Sustainability 14(11):6744.
- Memon M, Soomro BA, Shah N. 2019. Enablers of entrepreneurial self-efficacy in a developing country. *Education and Training* 61(6):684-699
- Mihalache OR, Jansen JJP, den Bosch FAJ, Volberda HW. 2014. Top management team shared leadership and organizational ambidexterity: A moderated mediation framework. *Strategic Entrepreneurship Journal* 8(2):128–148.
- Morris MH, Shirokova G, Tsukanova T. 2017. Student entrepreneurship and the university ecosystem: A multi-country empirical exploration. *European Journal of International Management* 11(1):65–85. https://doi.org/10.1504/EJIM.2017.081251
- Mubarok FK, Imam MK. 2020. Halal industry in Indonesia; challenges and opportunities.

- Journal of Digital Marketing and Halal Industry 2(1):55–64.
- Muharastri Y, Pambudy R, Priatna WB. 2015. Hubungan karakteristik wirausaha dengan kompetensi kewirausahaan peternak sapi perah di Kabupaten Bogor. *JSEP (Journal of Social and Agricultural Economics)* 8(1):25–36.
- Munari F, Pasquini M, Toschi L. 2015. From the lab to the stock market? The characteristics and impact of university-oriented seed funds in Europe. *Journal of Technology Transfer* 40(6):948–975. https://doi.org/10.1007/s10961-014-9385-4
- Noelia FL, Rosalia DC. 2020. A dynamic analysis of the role of entrepreneurial ecosystems in reducing innovation obstacles for startups. *Journal of Business Venturing Insights* 14(July):e00192. https://doi.org/10.1016/j.jbvi.2020.e00192
- Oladunjoye TG. 2018. Optimizing business education for national development. *Nigerian Journal of Business Education* (1):1–16.
- Putra IGC, Kepramareni P, Suryandari NNA. 2019. Empowerment program, entrepreneurial competence and business growth smes in Denpasar. *Asia Pacific Journal of Management and Education (APJME)* 2(2):87–96.
- Rosana F. 2021. Riset scale pr: 104 startup RI terima dana total usd 3,8 miliar semester I 2021. https://bisnis.tempo.co/read/1513318/riset-scale-pr-104-startup-ri-terima-dana-total- usd-38-miliar-semester-i-2021
- Saeed S, Yousafzai SY, Yani-De-Soriano M, Muffatto M. 2015. The role of perceived university support in the formation of students' entrepreneurial intention. *Journal of Small Business Management* 53(4):1127–1145. https://doi.org/10.1111/jsbm.12090
- Sajilan S, Tehseen S. 2019. Network competence and firm performance: The mediating role of entrepreneurial innovativeness among Malaysian Chinese entrepreneurs of wholesale businesses. *Asian Academy of Management Journal* 24(Supp. 1):187–201.
- Salihu AJ. 2016. Effect of entrepreneurship education on graduates' business startup in north central Nigeria. *European Journal of Business and Management* 8(20):48–62.

- Shane S, Locke EA, Collins CJ. 2003. Entrepreneurial motivation. *Human* Resource Management Review 13(2):257–279.
- Tsukanova T, Morris MH, Shirokova G. 2017. Student entrepreneurship and ecosystem: the university amulticountryempirical exploration. European Journal of International Management 11(1):65-85.https://doi.org/10.1504 ejim.2017.10001679
- Warto W, Arif Z. 2020. Bisnis produk halal antara peluang dan tantangan, problematika dan solusinya. *Al-Ulum* 20(1):274–294.
- Wei X, Liu X, Sha J. 2019. How does the entrepreneurship education influence the students' innovation? Testing on the multiple mediation model. *Frontiers in Psychology* 10:1557.

- Yani A, Eliyana A, Hamidah I, Buchdadi D. 2020. The impact of social capital, entrepreneurial competence on business performance: An empirical study of SMEs. *Systematic Reviews in Pharmacy* 11(9):779–787.
- Zailani S, Iranmanesh M, Jafarzadeh S, Foroughi. 2019. The influence of halal orientation strategy on financial performance of halal food firms: Halal culture as a moderator. *Journal of Islamic Marketing*. https://doi.org/10.1108/JIMA-01-2018-0023
- Zizile T, Tendai C. 2018. The importance of entrepreneurial competencies on the performance of women entrepreneurs in South Africa. *Journal of Applied Business Research (JABR)* 34(2):223–236.
- Zubair DSS, Khan M. 2021. Entrepreneurial self-efficacy and small business performance in Pakistan. *Management Science Letters* 11(6):1715–1724.