

# Building Students' Entrepreneurial Readiness: The Role of Entrepreneurial Education, Work Practices, and Entrepreneurial Motivation on Entrepreneurial Readiness through Self-Efficacy

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**Abstract.** This study aimed to examine the influence of Creative Product and Entrepreneurship Education, Business Center work practices, and entrepreneurial motivation on students' entrepreneurial readiness, with self-efficacy as a mediating variable. A quantitative approach was used, with data collected through Google Form questionnaires distributed to class XI and XII Digital Business students at SMK Negeri 1 Turen. The data were analyzed using the Partial Least Squares Structural Equation Modeling (PLS-SEM) method with SmartPLS4 software. The results show that entrepreneurship education does not affect entrepreneurial readiness. In contrast, Business Center work practices and entrepreneurial motivation have a significant positive effect, as they provide direct experience and help shape an entrepreneurial mindset. Self-efficacy does not mediate the relationship between entrepreneurship education and entrepreneurial readiness but does mediate the relationship between work practices and motivation with students' entrepreneurial readiness.

**Keywords:** Entrepreneurship Education, Business Center Work Practice, Entrepreneurial Motivation, Self Efficacy, Entrepreneurial Readiness.

## 1 Introduction

Entrepreneurship education has an important role in equipping young people with innovative skills and readiness to face economic challenges. However, the unemployment rate of Vocational High School (SMK) graduates is still relatively high [1]. The importance of entrepreneurship education in the era of globalization cannot be denied, because it is currently facing rapid economic changes which require individuals with the skills to innovate and can create new opportunities [2]. Education also plays an important role in ensuring the survival of a country, because this educational process can improve human resources (HR). This quality human resource is needed for education that is able to produce generations that have high quality through education, so that with quality education will create individuals who are competent, innovative, and ready to face challenges in various fields [3]. Entrepreneurship has a strategic role in supporting national priority programs to improve welfare improve welfare, because the development of the entrepreneurship sector is closely related to job creation [4].

According to the phenomenon of students through an initial survey in this study, it shows that there are 13% of students who choose to be entrepreneurs, 10.9% of students who choose to continue their studies to college and 73.95% of students who have no interest in entrepreneurship and prefer to work. This proves that 34 out of 46 students do not have

entrepreneurial readiness. Based on the results of interviews, the low readiness of students in entrepreneurship is caused by the assumption that entrepreneurship takes a long time, is high risk, and does not necessarily make a profit. This reflects the students' low self-efficacy, which is the belief in their ability to face business challenges. Based on the survey results, it can be concluded that students' readiness for entrepreneurship is in the low category, because many students prefer to work. Overcoming the shortage of jobs in this digital era requires entrepreneurial opportunities that can help students apply for jobs by prioritizing the skills that students already have while in vocational school. In shaping entrepreneurial readiness, the role of SMK schools is needed. SMK is a formal education pathway that prepares its graduates to be skilled, creative, productive and compete to enter the business or industrial world. In addition, SMK graduates are also prepared to be able to be entrepreneurs. In an effort to increase entrepreneurial readiness, schools implement entrepreneurship education so that students can foster a sense of student entrepreneurial readiness.

Entrepreneurship education can be associated with entrepreneurial readiness because entrepreneurship education is a continuous process both formal and non-formal that aims to create an entrepreneurial spirit [5]. Entrepreneurship education has been taken since grade XI. This entrepreneurship learning not only provides theory but also provides entrepreneurial practices both online and offline. Online practice is that students are expected to make promotional posters and are required to have social media. Offline practice is selling directly around the class. However, despite being prepared to receive entrepreneurship education, there are still many students who do not have the mental readiness and confidence to start their own business [6]. This education aims to equip students with business skills, product innovation, and marketing strategies needed in the business world [7].

In addition to entrepreneurship education, business center practices are an important part of equipping students' skills. In this case, the business center plays a crucial role as a means for students to gain experience and knowledge about entrepreneurship. Business center is defined as an opportunity given to students to interact with the community in the economic sphere, which can be a type of trading business. A business center is a school facility that serves as a center for buying and selling activities of goods and services by utilizing all the resources available at the school [8]. The existence of *business center* facilities in this school can make students more proficient and independent because students can directly practice making sales, bookkeeping, and also arrange products in *business center* work practices that can encourage students to have entrepreneurial readiness [9].

In addition to the practice of work in the *business center*, things that can affect the entrepreneurial readiness of a student is entrepreneurial motivation. Lack of entrepreneurial motivation owned by students, making low student readiness for entrepreneurship. According to reference [10] this motivation comes from the word "motive" which means an effort to encourage someone to do something. This entrepreneurial motivation is an impetus that exists in humans to be an entrepreneur. According to reference [11] entrepreneurial motivation.

According to reference [11] entrepreneurial motivation is the drive to develop new businesses that require the ability to access information about opportunities in entrepreneurship in order to achieve success and can affect readiness for entrepreneurship. In research reference [12] the most motivating factor in entrepreneurial involvement is the desire to increase financial strength, support the family, and want to be successful. Readiness comes from the word "ready" which means the tendency of ability (competence) and one's willingness to do something [13]. According to Nurbaya (2012: 98) in reference [6] entrepreneurial readiness is an impetus to carry out business activities that are influenced by the level of maturity, previous experience, and one's mental and emotional state. This is in line with the opinion of Yuliani

(2018: 121) in reference [6] which states that entrepreneurial readiness is a state in which individuals feel ready because they have the ability, willingness, and desire to face various challenges in entrepreneurship. Therefore, entrepreneurial readiness is an important aspect that individuals must have. From the above understanding, it can be concluded that entrepreneurial readiness is a business activity carried out by someone who has various goals and needs to obtain a profit from business activities carried out by being equipped with physical, mental, skills, emotional, and knowledge conditions. The purpose of this entrepreneurial readiness is to ensure that someone who will do this entrepreneurship has the ability, knowledge, attitudes, and skills needed so as to increase self-confidence. Indicators of entrepreneurial readiness are self-confidence, results-oriented, courage to take risks, have a leadership spirit, always try to innovate, oriented to the future [14].

Another factor that affects entrepreneurial readiness is self-efficacy or students' confidence in their ability to run a business. According to Albert Bandura's Social Learning theory in reference [15], as a development of behavioristic theory. Bandura emphasizes that learning occurs in a social context, where individuals acquire knowledge and skills through observation, imitation, and modeling the behavior of others. Self-efficacy has a significant impact on a person's behavior in making decisions. A research reference [16] shows that self-efficacy acts as a mediating factor in entrepreneurship or in other words, even though entrepreneurship education and business practices have been carried out without strong *self-efficacy*, students' readiness for entrepreneurship remains low. Therefore, in entrepreneurship, self-efficacy or self-confidence in their abilities is needed so that the business they do can succeed as they wish. Indicators that can be used to measure self-efficacy are: 1) confidence in managing a business, 2) having the mental ability to start a business, 3) having a firm belief in starting a business, 4) the ability to start a business [17].

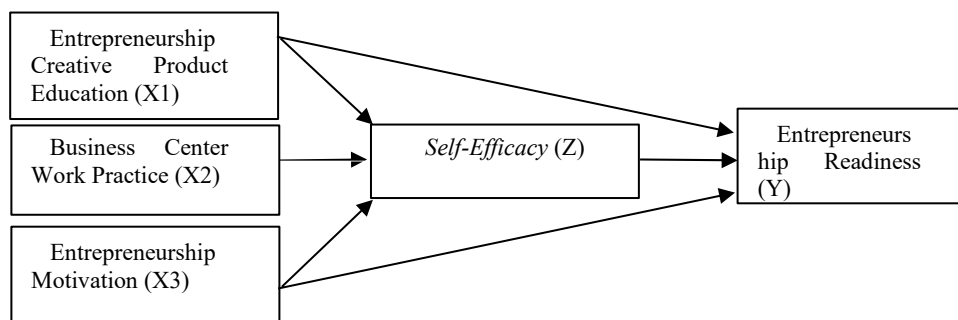
According to the results of previous research on reference [5] proves that entrepreneurship education has a positive and significant effect on entrepreneurial readiness. Furthermore, the results of research [6] show that business center work practices have a positive and significant effect on student entrepreneurial readiness. Research [18] shows that entrepreneurial motivation affects student entrepreneurship readiness. In reference [19] shows that self-efficacy has a significant effect on entrepreneurial readiness. Entrepreneurial readiness has an important role in shaping students' mindset and skills to face the world of entrepreneurship. This entrepreneurial readiness can be developed through entrepreneurship education, business center practices and internal and external factors.

From some of the results of the study analysis of both primary and secondary data, it is known that the problem of this research is the lack of student readiness in entrepreneurship. So the emphasis of the purpose of this study is to analyze the effect of entrepreneurial creative product education, business center work practices, and entrepreneurial motivation on student entrepreneurial readiness through self-efficacy. This entrepreneurial readiness can shape students to be independent, innovative, and able to compete in the business world. Therefore, it is necessary to strengthen psychological aspects such as self-efficacy, as well as optimize entrepreneurship programs in schools so that students are truly ready to face the challenges of the business world independently and competitively.

## 2. Methods

This research method uses a quantitative approach and type of explanatory research which aims to explain the position and relationship between the variables studied and the influence between variables. The research location is SMK Negeri 1 Turen because this school

is a pilot vocational school in the highway, because it is supported by complete facilities and its achievements have reached the provincial and national levels in vocational events such as the East Java Provincial Student Competency Competition (LKS). The population in this study was 211 students in grades XI and XII of the Digital Business expertise program who had received entrepreneurial creative product education subjects and had carried out business center work practices. The total sample in this study amounted to 139 students. The sampling method uses proportional random sampling with data collection techniques using questionnaires through google form. Questionnaires using alternative answers Likert Scale 1-5 on the variables of business center work practices, entrepreneurial motivation, entrepreneurial readiness and self-efficacy. The benchmarks used to assess entrepreneurial creative product education refer to the achievement of student grades, considering that these grades represent formal learning outcomes. The values used are students' UAS cognitive scores, final scores that include skill scores, attitude scores, and knowledge scores, and psychomotor scores taken from skill scores. The data analysis technique used PLS-SEM (Partial Least Squares Structural Equation Modeling) analysis with the help of SmartPLS 4 software. The research design is shown in the following figure.



**Fig 1.** Research Design

### Research Hypothesis

- H1 : Entrepreneurship Creative Product Education has a significant positive effect on entrepreneurial readiness
- H2 : Business Center Work Practice has a significant positive effect on entrepreneurial readiness
- H3 : Entrepreneurial motivation has a significant positive effect on entrepreneurial readiness
- H4 : Self-efficacy has a significant positive effect on entrepreneurial readiness
- H5 : Entrepreneurship education through self-efficacy has a significant positive effect on entrepreneurial readiness
- H6 : Business center work practice through self-efficacy has a significant positive effect on entrepreneurial readiness
- H7 : Entrepreneurial motivation through self-efficacy has a significant positive effect on entrepreneurial readiness

### 3. Results

#### 3.1 Descriptive Analysis

Through questionnaires that have been distributed to respondents, the results showed that the average entrepreneurial readiness variable is included in the good category, which these results indicate that the majority of students have a positive interest in entrepreneurial readiness through entrepreneurship creative product education, *business center* work practices, and entrepreneurial motivation. The results on the Creative Product Education and Entrepreneurship variables show a good and positive value, which reflects that students not only understand the material cognitively, but also show a positive attitude in the affective aspect as well as practical skills in the psychomotor aspect.

This shows that the entrepreneurship material obtained in learning is able to equip students with the knowledge, attitudes, and skills that support their readiness for entrepreneurship. The business center practice variable shows a good and positive value, which can be seen from the active involvement of students in buying and selling activities, product arrangement, and recording financial transactions in the business center. Through this practice, students gain direct experience in running business activities, so as to improve practical skills and self-confidence to form readiness in entrepreneurship. The entrepreneurial motivation variable shows good and positive results, which is the internal and external drive of students to start entrepreneurship and a strong desire for success. The higher the motivation, the greater the readiness of students to face challenges. Variable self-efficacy shows good and positive results, which means, self-efficacy acts as a mediating variable that strengthens the relationship between entrepreneurship education, business center practice, and entrepreneurial motivation to student entrepreneurship readiness. Students who have high confidence in their abilities tend to be more ready to face challenges and make decisions in entrepreneurship, thus strengthening the influence of the three variables on entrepreneurial readiness.

#### 3.2 Testing the Measurement Model (Outer Model)

The measurement evaluation model is a test conducted to see the relationship between indicators and latent variables. In this measurement, there are three Outer model evaluation criteria when using Smart PLS 4, namely convergent validity which has the aim of proving that the items on the indicators in the variable are acceptable. Discriminant validity is used to measure how much an item on the intended variable is different from other variable items. Reliability test is used to test the accuracy, consistency, and accuracy of the instrument on the questionnaire. An individual indicator can be said to be valid if it has a correlation value of more than 0.70 and for the average variance extracted (AVE) above 0.50 [20]. The research variable is declared reliable if the *Cronbach's alpha* value is greater than 0.7. And the *composite reliability* value is greater than 0.7 [20].

**Table 1** Data Processing Results of Validity and Reliability Testing

<i>Variable</i>	<i>Outer Loading</i>	<i>Average Variance Extracted (AVE)</i>	<i>Cronbach's Alpha Composite Reliability</i>
<b>Entrepreneurship Creative Product Education</b>			
PPK1	0.941	0.606	0.783
PPK2	0.884		
PPK3	1.000		
<b>Business Center Work Practice</b>			
PBC1	0.714	0.579	0.855
PBC2	0.801		
PBC3	0.829		
PBC4	0.767		
<b>Entrepreneurship Motivation</b>			
MB1	0.850	0.688	
MB2	0.858		
MB3	0.788		
MB4	0.819		
<b>Entrepreneurial Readiness</b>			
KB1	0.744	0.889	0.848
KB2	0.759		
KB3	0.751		
KB4	0.765		
KB5	0.784		
KB6	0.762		
<i><b>Self-Efficacy</b></i>			
SE1	0.865		
SE2	0.864		
SE3	0.818		

(Source: processed by researchers)

**Table 2** Cross Loading Results

<b>Variable</b>	<b>PKK</b>	<b>PBC</b>	<b>MB</b>	<b>KB</b>	<b>SE</b>
<b>X1.1</b>	<b>0.941</b>	- 0.031	0.066	- 0.003	0.004
<b>X1.2</b>	<b>0.884</b>	- 0.029	0.061	- 0.007	0.008
<b>X1.3</b>	<b>1.000</b>	- 0.049	0.03	- 0.034	- 0.025
<b>X2.1</b>	0.013	<b>0.714</b>	0.345	0.348	0.378
<b>X2.2</b>	- 0.081	<b>0.801</b>	0.297	0.433	0.447
<b>X2.3</b>	- 0.022	<b>0.829</b>	0.38	0.422	0.412
<b>X2.4</b>	- 0.051	<b>0.767</b>	0.369	0.444	0.414
<b>X3.1</b>	0.07	0.383	<b>0.850</b>	0.454	0.492

<b>X3.2</b>	0.016	0.327	<b>0.858</b>	0.452	0.478
<b>X3.3</b>	0.003	0.376	<b>0.788</b>	0.483	0.454
<b>X3.4</b>	0.014	0.388	<b>0.819</b>	0.566	0.455
<b>Y.1</b>	- 0.093	0.350	0.486	<b>0.744</b>	0.587
<b>Y.2</b>	- 0.118	0.353	0.511	<b>0.759</b>	0.594
<b>Y.3</b>	0.068	0.465	0.424	<b>0.751</b>	0.558
<b>Y.4</b>	0.009	0.399	0.419	<b>0.765</b>	0.543
<b>Y.5</b>	0.026	0.433	0.396	<b>0.784</b>	0.582
<b>Y.6</b>	- 0.033	0.427	0.461	<b>0.762</b>	0.640
<b>Z.1</b>	- 0.015	0.473	0.475	0.662	<b>0.865</b>
<b>Z.2</b>	- 0.093	0.481	0.449	0.694	<b>0.864</b>
<b>Z.3</b>	0.053	0.396	0.523	0.601	<b>0.818</b>

Source: processed by researchers

### 3.3 Structural Evaluation Model (Inner Model)

Inner model is a test used to describe the relationship between one variable and another. This test includes four aspects, namely R square, Model Fit (SRMR), *F* square and hypothesis testing through bootstrapping based on the Path Coefficient table. R Square measures the proportion of variation in the value that describes how much influence the independent variable has on the dependent variable. R Square has three categories, namely 0.75 (strong), 0.50 (moderate), and 0.25 (weak). The higher the R Square value, the better the model's ability to predict and show the fit between the proposed model and the existing data. The model fit value is used to assess the extent to which the model used is in accordance with the data distribution from the sample, which can be seen from the SRMR value < 0.8. The *F* square test is divided into 3 categories, namely the small category of 0.02, the medium category of 0.15 and the large category of 0.35 [20]. The following are the results of running inner model data:

**Table 3.** R-Square Results

<b>Variable</b>	<b>R-Square</b>
Entrepreneurial Readiness (Y)	0.640
Self-Efficacy (Z)	0.419

(Source: processed by researchers)

In the information in table 4.12, the result of the R-Square value on the Entrepreneurial Readiness variable (Y) has a value of 0.640 or when it is represented to be 64%, so the effect is strong. These results indicate that the magnitude of the influence of Creative Product Education (X1), Business Center Work Practices (X2), and Entrepreneurial Motivation (X3) on

Entrepreneurial Readiness (Y) by 64%. Meanwhile, the results of the R- Square value on the Self-Efficacy variable (Z) has a value of 0.419 or when in percentage to 49%. That is, the magnitude of the influence of Creative Product Education (X1), Business Center Work Practices (X2), and Entrepreneurial Motivation (X3) on Self-Efficacy (Z) shows a value of 41.9%.

**Table 4** Model Fit Test

Saturated Model	
SRMR	0,065

Source: processed by researchers

To test the ability of the model to explain or predict variations in the dependent variable, it is done by the difference between the observed correlation and the model implied in the correlation matrix, which is indicated by the SRMR value  $<0.10$ . The test results show that the SRMR value is  $0.065 < 0.10$ . This shows that the model is fit or there is a match.

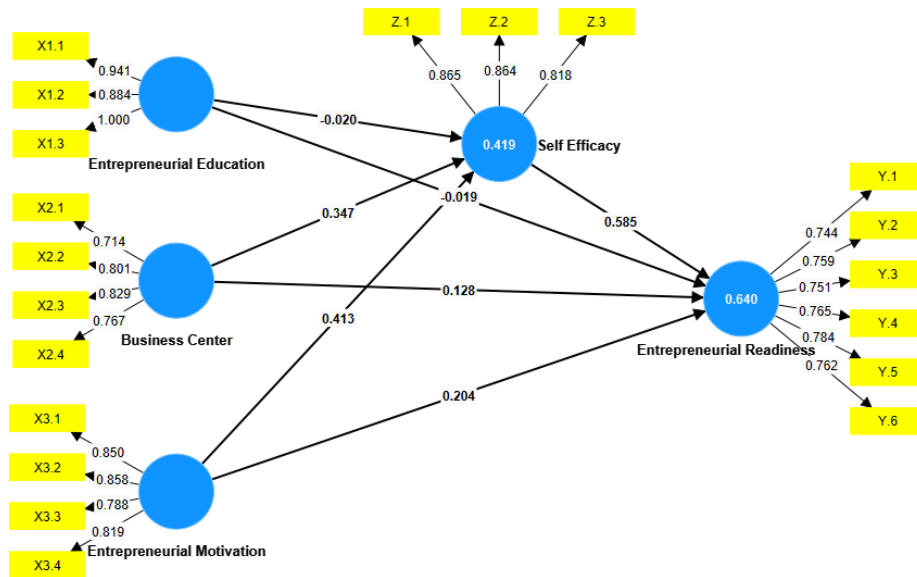
**Table 5** F Square Test

Variable	Entrepreneurial Readiness (Y)
Creative Product Education (X1)	0.001
Business Center Work Practice (X2)	0.031
Entrepreneurship Motivation (X3)	0.075
Self-Efficacy (Z)	0.553

Source: processed by researchers

From these results, it can be interpreted that the effect of creative product education on entrepreneurial readiness at the structural level is small with a value of (0.001). Meanwhile, business center work practices and entrepreneurial motivation have a small influence on entrepreneurial readiness at the structural level with a value of (0.031) and (0.075). Then, the effect of self-efficacy on entrepreneurial readiness has a value of (0.553), so the effect is very large.





**Fig 2.** Outer and Inner Model Testing Results

Hypothesis testing in PLS-SEM analysis is done by Bootstrapping on SmartPLS. The hypothesis can be accepted if the t-statistic value > 1.96. In addition, to see significance, you can see the P-Values value, if the P-Values value is < 0.05 the relationship model has a significant effect, while if the P Values value is > 0.05 the relationship model has an insignificant effect. The coefficient value, t-statistic, and p values are seen from the path coefficients [21].

**Table 6** Path Coefficient

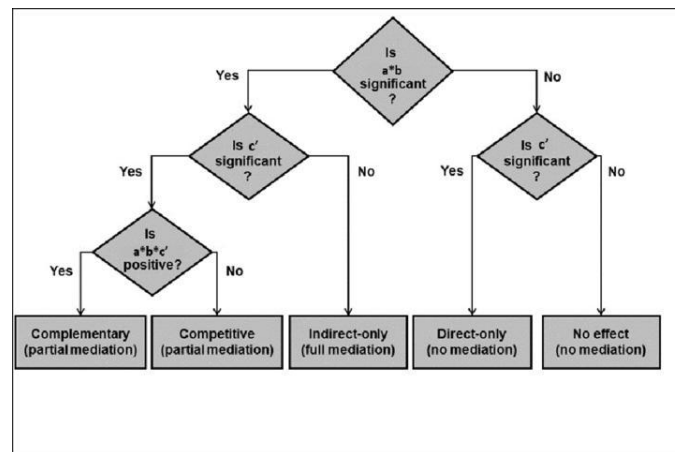
Variable	Original Sample (O)	Sample Mean (M)	Standard Deviation (STDEV)	T Statistics ( O/STDEV )	P Values	Description
PPK -> KB	-	-	0.041	0.468	0.640	Rejected
PBC-> KB	0.019	0.017	0.067	1.985	0.046	Accepted
MB-> KB	0.204	0.206	0.054	3.786	0.000	Accepted
SE -> KB	0.585	0.579	0.060	9.755	0.000	Accepted
PPK->SE->KB	-	-	0.028	0.415	0.679	Rejected
PBC->SE->KB	0.012	0.007				
PBC->SE->KB	0.203	0.201	0.041	4.902	0.000	Accepted
MB->SE->KB	0.242	0.238	0.045	5.381	0.000	Accepted

(Source: processed by researchers)

### 3.4 Mediation Effect Test

According to reference [22] in SEM-PLS analysis, determining the mediation effect no longer uses the Variance Accounted For (VAF) formula to identify full or partial mediation. Instead, the mediation analysis procedure is used with the results analyzed based on the

conditions shown in the figure:



**Fig 3.** Mediation Analysis Procedure

In this mediation model, self-efficacy represents an appropriate mechanism to explain the relationship between entrepreneurial creative product education and entrepreneurial readiness. Hypothesis 5 in this study has an insignificant direct effect value, which is 0.0640 ( $<0.05$ ) and an indirect effect value of 0.679 ( $<0.05$ ), when the direct effect and indirect effect are both insignificant and hypothesis 5 describes a situation where the direct effect and indirect effect point in the opposite direction. so that in hypothesis 5 it can be said No-effect no mediation.

Then, in hypothesis 6 it has a significant direct effect value of 0.046 ( $<0.05$ ) and an indirect effect value of 0.000 ( $<0.05$ ), when the direct effect and indirect effect are both significant and hypothesis 6 describes a situation where the direct effect and indirect effect point in the same direction. Thus it can be said that the direct effect and indirect effect (p1. p2. p3) are positive so that in hypothesis 6 it can be said to be complementary partial mediation. In the hypothesis mediation model 7 has a significant direct effect value of 0.000 ( $<0.05$ ) and an indirect effect value of 0.000 ( $<0.05$ ), when the direct effect and indirect effect are both significant and hypothesis 7 describes a situation where the direct effect and indirect effect point in the same direction. Thus it can be said that the direct effect and indirect effect (p1. p2. p3) are positive, so that in hypothesis 7 it can be said to be complementary partial mediation.

## **4 Discussion**

### **4.1 Effect of Entrepreneurship Creative Product Education on Entrepreneurial Readiness**

Although entrepreneurship creative product education has been integrated into the curriculum at SMK Negeri 1 Turen, its implementation has not been able to fully hone students' mental readiness, skills, and internal drive to enter the entrepreneurial world. The results showed no influence between entrepreneurship education and entrepreneurial readiness. From these results, entrepreneurial readiness in students does not only rely on lessons related to entrepreneurship and theory alone, but there are several other factors that can support students' readiness to start entrepreneurship, such as providing exhibition activities and entrepreneurial competitions.

Entrepreneurship learning, which is only given for six lesson hours a week, can be one of the factors causing the limited effectiveness of learning in preparing students to be ready to become entrepreneurs. This limited time causes students to not have the opportunity to really understand the material, explore practical skills, and involve themselves in real experiences that can increase their readiness for entrepreneurship. Entrepreneurship Creative Product Education does not have a significant effect because the practice of entrepreneurship learning is still limited to basic aspects such as creating product information and promotional content. This Entrepreneurship Creative Product Education practice activity has not touched on deeper aspects such as the real production process because many students still choose to more easily use the *reseller* system besides that, not yet to the stage of marketing strategies, risk management, and business development evaluation. This can make students lack the comprehensive experience needed in running a business. The technical skills needed to go through and sustain a business have not been fully learned, so students are not mentally prepared enough to face challenges in the real business world. In addition, students in grades XI and XII have focused on internship activities so that entrepreneurial practices such as marketing these products make students more interested in becoming employees.

The results of this study are supported by references [23], [13], [24] and [25] which state the same thing that entrepreneurship education has no effect on entrepreneurial readiness. The knowledge gained by students is still theoretical and not fully mastered, so that schools are not maximized in preparing students to be ready for entrepreneurship. This proves that learning theory alone is not enough to generate interest in entrepreneurship in students. Although students get high scores, it does not directly reflect their high interest in entrepreneurship. The value of Entrepreneurship Education is more indicative of mastery of knowledge and cognitive abilities, not readiness or interest in going directly into the business world. Therefore, both theory and practice must be combined optimally to truly encourage entrepreneurial readiness.

### **4.2 Effect of *Business Center* Work Practices on Entrepreneurial Readiness**

Through business center work practices, SMK Negeri 1 Turen provides real practice-based learning media by actively involving students in school business activities, such as cooperatives and canteens. This practice is assessed through indicators of discipline, responsibility, initiative, and cooperation, which contribute significantly to increasing students' entrepreneurial readiness. In this business center work practice can shape students to be disciplined in managing time and running a business in accordance with existing regulations, besides that students will feel more responsible because it instills a sense of ownership and seriousness of students towards the assigned tasks. Students will also take the initiative to always think creatively and be able to create solutions when challenges arise in the business process. This business center work practice can also develop students' ability to work together in teams and build relationships. Therefore, work practices such as those implemented in business centers are not only a means of technical training, but also character building and essential entrepreneurial soft skills.

In addition, in business center practice, students are also directly involved in daily operational activities, such as displaying products to attract consumers, serving as cashiers to serve financial transactions, becoming salespeople who interact directly with customers and recap sales every day. This activity provides real experience to students in running a business from service to financial records. The significant positive effect of business center practice on entrepreneurial readiness lies in the hands-on experience-based approach which allows students to learn not only from theory but from real involvement in business activities. This increases self-confidence, sense of responsibility, and critical thinking skills which are important components of entrepreneurial readiness.

The results showed a significant positive effect between business center work practices and entrepreneurial readiness, in line with the findings of references [26], [27], [28], [6] and [29] also support that work practices positively affect entrepreneurial readiness. Based on the research findings, the implications of this study indicate that business center work practices have a strategic role in shaping the entrepreneurial readiness of students of SMK Negeri 1 Turen. Practically, the results of this study confirm that a practice-based learning approach is more effective than theory alone in shaping entrepreneurial readiness.

#### **4.3 The Effect of Entrepreneurial Motivation on Entrepreneurial Readiness**

Entrepreneurial motivation is proven to play a major role in fostering entrepreneurial readiness in students of SMK Negeri 1 Turen. Those who have a strong drive are usually more prepared to face business obstacles because they are supported by self-confidence, risk-taking courage, and a spirit of initiative. This finding suggests that the development of entrepreneurial motivation needs to be a major focus in entrepreneurship education strategies in schools. Highly motivated students show a more mature readiness to face the challenges of the business world because they are driven by a sense of confidence, risk-taking, and initiative face the challenges of the business world because they are driven by self-confidence, risk-taking, and proactiveness. Entrepreneurial motivation is reflected in several important indicators, such as the desire for financial gain, which encourages students to achieve economic independence

through entrepreneurial activities. The freedom to determine the direction of the venture also gives students a sense of control over the business decisions and strategies they implement. Personal dreams to achieve their goals are also strong motivating factors that make students more committed entrepreneurs. Independence as a form of reliance on one's own abilities strengthens students' willingness to face entrepreneurial challenges without having to rely on others.

These results suggest that strengthening motivation should be a major concern of entrepreneurship education. Schools and teachers should create learning environments that support and inspire students and provide spaces for them to engage directly in business activities, such as business projects, internships or business labs. With the support of the right facilities and approaches, students' motivation can be continuously improved and have a significant impact on their willingness to run a business independently in the future.

The results of this study are relevant to previous studies, namely, references [13], [30], [11], [31], and [32] which show a similar relationship between motivation and entrepreneurial readiness. The implication in this finding indicates that increasing student motivation can be done by providing entrepreneurship training or seminars, by creating a learning environment that encourages this internal motivation, schools can be more effective in preparing students to become entrepreneurs.

#### **4.4 The Effect of Self-Efficacy on Entrepreneurial Readiness**

The entrepreneurial readiness of students at SMK Negeri 1 Turen cannot be separated from the role of self-efficacy or self-confidence in facing business challenges. This belief is formed through the synergy between theoretical learning, direct involvement in entrepreneurial practice through the business center, and the support of the school environment. Students with high self-efficacy tend to be more confident, resilient in facing risks, and have good problem-solving skills, while students with low self-efficacy tend to hesitate and avoid challenges. Self-efficacy acts as an internal factor that encourages students to set challenging goals and commit to achieving them. This belief also encourages them to continue learning, adapting, and evaluating strategies in running a business. Planting self-efficacy early on can create a strong entrepreneurial mindset. Therefore, increasing self-efficacy is an important strategy in entrepreneurship education that aims to produce graduates who are ready to compete and be independent in the entrepreneurial world.

This research is strengthened by the findings in references [33], [30], [32], [34] and [28] which states that there is a positive and significant relationship between self-efficacy and entrepreneurial readiness. The implication of this study is that schools need to develop programs that can increase student self-efficacy. Increased self-efficacy will strengthen students' readiness to enter the business world, so that SMK graduates are better prepared to create independent business opportunities and help reduce dependence on formal employment.

#### **4.5 The Effect of Entrepreneurship Creative Product Education on Entrepreneurial**

### **Readiness Through Mediation of Self-Efficacy**

The results showed that Entrepreneurship Creative Product Education through self-efficacy at SMK Negeri 1 Turen had no effect on increasing students' entrepreneurial readiness. So that in this mediation role is called No.-effect no mediation. This indicates that although students gain theoretical learning, the lack of confidence development and practical skills decreases their readiness for entrepreneurship. Learning that focuses too much on theory without hands-on experience, such as dealing with customers or managing a business, makes students less confident in starting a business. Schools need to integrate more practical and experiential learning approaches, such as business simulations, direct sales, and student engagement in real entrepreneurial activities. Increasing self-efficacy should be the main goal, so that students not only understand the theory, but are also confident in applying it in the real world of entrepreneurship and confident in facing obstacles or failures in the business process.

This strong self-efficacy includes students' confidence in completing entrepreneurial tasks completely, the ability to apply the skills they have learned in real life. Success in entrepreneurship is greatly influenced by how much confidence a person has in overcoming obstacles. Thus, it is important for schools to create learning situations that can encourage students to face real challenges so that their self-efficacy is formed naturally and supports entrepreneurial readiness as a whole. Supporting the results of this study, [35] stated that self-efficacy does not have a significant effect on entrepreneurial readiness. Without work experience, the theory of entrepreneurship education cannot support self-confidence for entrepreneurship which will have an impact on students' lack of readiness to start a business.

### **4.6 The Effect of Business Center Work Practices on Entrepreneurial Readiness Through Mediation of Self-Efficacy**

The implementation of Work Practices in the business center of SMK Negeri 1 Turen serves as a practice-based learning medium that integrates theory with direct experience in entrepreneurial activities, thus enriching students' insights and skills. The results of this study proved to have a significant positive impact. So that the self-efficacy variable in this study is called complementary partial mediation which means, through involvement in real business, students not only understand the theory, but also increase their confidence in making decisions and facing business challenges. In this work practice, students learn how to manage a business, overcome obstacles, and increase self-confidence. Student involvement in the business center also trains communication, teamwork, and leadership skills that are needed in the business world. Through this hands-on experience, students can evaluate their strengths and weaknesses in a real context.

Business center work practice activities are also very relevant to the characteristics of generation Z today. Generation Z is known as a generation that is adaptive to technology, likes practical and interactive learning, and quickly gets bored with conventional learning methods. Through direct involvement in real business activities such as product display, being a cashier, saleswoman, and recapitulating daily bookkeeping, students can channel their creativity and

curiosity in a positive way. This practice also trains students in digital skills, critical thinking, and independent problem solving, which are needed by Generation Z in facing the challenges of the business world. Therefore, the practice at the Business Center not only shapes technical abilities, but also adapts the learning approach to the character and potential of today's students, so as to strengthen their readiness for real entrepreneurship. This increases their readiness for entrepreneurship after graduation. This study supports the findings in references [23], [36], [37] and [38] which show that self-efficacy acts as an intervening variable that strengthens the influence of entrepreneurial knowledge and industrial work practice experience on entrepreneurial readiness.

#### **4.7 The Effect of Entrepreneurial Motivation on Entrepreneurial Readiness Through Mediation Self-Efficacy**

In the context of this study, entrepreneurial motivation appears to affect entrepreneurial readiness both directly and indirectly through self-efficacy. This confirms the role of self-efficacy as a complementary partial mediation. SMK Negeri 1 Turen seeks to build entrepreneurial motivation among students through learning programs and extracurricular activities that support the spirit of entrepreneurship. High motivation encourages students to be confident in facing the business world, increases self-efficacy, and forms readiness to become entrepreneurs. When high motivation is combined with strong self-confidence, students become more prepared to face uncertainty and risk in the business world. Therefore, self-efficacy is a key factor that strengthens the relationship between motivation and entrepreneurial readiness. The implementation of motivation and self-efficacy is supported through the development of business communities, experience networks, and the integration of entrepreneurship materials in the curriculum.

In addition, learning approaches that provide space for students to experiment, argue and make decisions in school business activities also strengthen self-efficacy. When students are given the trust to lead projects, manage sales or solve problems that arise in business practices, they feel more capable and confident in their capacity. This creates real-life experiences that support a deeper internalization of entrepreneurial motivation. Thus, the combination of high motivation and self-confidence that grows through direct experience is an important foundation in shaping entrepreneurial readiness as a whole among students of SMK Negeri 1 Turen.

This finding is supported by research in references [39], [31], [40], and [23] which show that motivation and self-efficacy significantly affect entrepreneurial readiness, with motivation as the dominant factor.

### **5. Conclusion**

The purpose of this study was to determine the effect of entrepreneurial creative product education, business center work practices, and entrepreneurial motivation on entrepreneurial readiness of students in the Digital Business expertise program at SMK Negeri 1 Turen, either

directly or indirectly through self-efficacy mediation. This study focuses on identifying the extent to which these three variables, with the support of self-efficacy, can shape students' readiness to face the business world and foster an entrepreneurial spirit.

## 6. Suggestions

Based on the research findings, it is suggested to entrepreneurship creative product education teachers to develop entrepreneurship learning that is more practice-based than just academic assessment. Teachers need to provide business simulation programs or real projects so that students get hands-on experience in managing a business. In addition, providing rewards or incentives for students who are active and brave enough to start a business can help shape entrepreneurial readiness.

For future researchers, it is recommended to expand the scope of research by involving more than one school or region to obtain more representative results. Future research can also consider external factors such as family support, social environment, and access to capital as variables that have the potential to influence students' entrepreneurial readiness more comprehensively.

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