

CHAPTER I

INTRODUCTION

1.1 BACKGROUND OF THE STUDY

In this era, people can create a lot of things easily and it has higher chance to change people to become entrepreneurs. Lots of people start from small and it turns out that a lot of high school students and undergraduate students have the potential and ability to become young entrepreneurs. Moreover, people can get inspiration anywhere and anytime before they start inventing their own product or create a new way on the business industry through their ideas and inspiration.

Although the number of entrepreneurs keeps rising, not everyone who is new to the entrepreneur world or those who have been entrepreneurs for several years are not success and surprisingly leads to failure. The amount of time spent in the world of entrepreneur could not determine and guarantee whether entrepreneurs could survive for a long period of time.

Besides of having brilliant ideas to becoming an entrepreneur, one needs to have a good personality as well. Since new entrepreneurs need to explain about their vision mission and the important parts of the business, they need to acknowledge the big 5 personalities, which is important. The big 5 personalities help people to interact with people and surrounding.

The Big 5 personalities are Openness to experience, Conscientiousness, Extraversion, Agreeableness, and Neuroticism. These 5 personalities are important especially to entrepreneurs. People tend to underestimate these points and stay to their own personality especially for those who are narrow-minded. It will bring disadvantage to them and could harm their business. So, entrepreneur needs to understand each of the personality in order to be productive

in a better way.

According to Vemmy (2012), there are 20 common entrepreneurship personalities, which one of them is extraversion, a part of the big 5 personalities. Extraversion is related to the level of conformance of people while interacting with other people. The positive characteristic of extraversion is outgoing, sociable, live in a group and assertive. So, an entrepreneur has the personality of one of the big 5 personalities, meaning in order to become an entrepreneur, one should have the personality.

Realizing the relationship between the big 5 personalities and intention for being an entrepreneur has inspired the writer to conduct this research in the field of education. By analyzing Universitas Pelita Harapan university students, this university might have the ability to bring or create new entrepreneurs. This research aims for the writing of dissertation **“The Relationship Between the Big 5 Personalities and Intention of Being an Entrepreneur for Students in Universitas Pelita Harapan”**

1.2 PROBLEM LIMITATION

The subject of the research is students in one of the universities in Medan, Universitas Pelita Harapan Medan with a limitation. The students that will be tested are those business school's students majoring in Management and Accounting intake 2015 and 2016. By using 2 majors, this research will be more accurate and fair to make a rational result.

1.3 PROBLEM FORMULATION

Based on the observation that most of intention of being an entrepreneur is facing, the writer comes up with a few problems as follows;

1. Do the big 5 personalities have the influence to Intention of being an entrepreneur for students in Universitas Pelita Harapan Medan?
2. What are the elements of the big 5 personalities that contribute to the intention of being an entrepreneur for students in Universitas Pelita Harapan Medan?

1.4 OBJECTIVE OF THE RESEARCH

The objectives of research that the writer can get are as follows;

1. To know the influence of the big 5 personalities towards the intention of being an entrepreneur for students in Universitas Pelita Harapan Medan.
2. To know the elements of the big 5 personalities that contribute to the intention of being an entrepreneur for students in Universitas Pelita Harapan Medan.

1.5 BENEFIT OF THE RESEARCH

By doing this research, it will benefit for both student and university. Student can gain knowledge about the variables and have better understanding about the university. This research might be used as a baseline for other students/ researchers to continue this study further and deeper. On the other hand, Universitas Pelita Harapan Medan can use this research as inspiration and help the university to grow and learn something new from the research that is done by their student.

1.5.1 THEORETICAL BENEFIT

The benefit of doing this research theoretically, it will add more knowledge and give better understanding to specifically management students, especially students that are taking concentration in entrepreneurship including the writer herself. Moreover, it will add

more information to develop the study further.

1.5.2 PRACTICAL BENEFIT

This research is hoped to give benefit to the university, which is Universitas Pelita Harapan Medan. The university could improve by the research of the university itself that is done by their student. Moreover, it will give benefit for the community and psychologist to have better understanding about the research.

1.6 SYSTEMS OF WRITING

The content of the entire research that is conducted by the student has 5 chapters and the system of writing is as follows:

Chapter I: Introduction

This chapter contains summary of the overall research and some issue about the research. The first chapter contains background of the study, problem limitation, problem formulation, and objective of the research, benefit of the research, theoretical benefit, practical benefit and systems of writing.

Chapter II: Literature Review and Hypothesis Development.

This chapter is about the theoretical information about the research that will be used to support the research. It includes theoretical background, previous research, hypothesis development, research model and framework of thinking.

Chapter III: Research Methodology

This is the third chapter that contains the population and sample used for the research. Also, this chapter will discuss about the method used to conduct the research.

Chapter IV: Data Analysis and Discussion.

This is the fourth chapter that contains discussion on the result of the research. It includes general description of Universitas Pelita Harapan Medan, data analysis and discussion.

Chapter V: Conclusion.

This is the last chapter that discusses about the conclusion of the overall research, implication and some recommendation from the writer.

