

EFFECTS OF EFFECTUATION, COGNITIVE ADAPTABILITY, LEARNING FROM BUSINESS FAILURE ON MINDSET OF STUDENTS (PRIVATE HIGHER EDUCATION IN MEDAN)

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ABSTRACT: *The purpose of this study is to determine the effects of effectuation, cognitive adaptability, learning from business failure on entrepreneurship mindset of students at private higher education in Medan. The research method used was descriptive analysis and quantitative analysis using Ordinary Least Square (OLS) method with a multiple linear regression test with the sample of 273 respondents, and it was conducted validity and reliability tests to determine the research questionnaire items. The study used purposive sampling technique. The research results prove that simultaneously effectuation variable, cognitive adaptability variable and learning from business failure variable provide significant and positive effects on entrepreneurship mindset of students at private higher education in Medan. Partially, cognitive adaptability variable and learning from business failure variable provide significant and positive effects on entrepreneurship mindset of students at private higher education in Medan. The adjusted R-square value is 0.279 or 27,9%.*

KEYWORDS: Effectuation, cognitive adaptation, business failure

BACKGROUND

The economic condition of a country will not grow without the support of business sector getting better. Economic sector should be supported by the systems of trade, banking, cooperatives and other financial sector having important roles in order to drive the economy and economic growth of a country. Indonesia's economic growth over the last 5 years is still ranging between 4-5% (<http://www.bps.go.id/index.php/brs/1143/29>, June 2015: 10:55). It is still far from the average economic growth of Asian countries such as Singapore, Malaysia, South Korea, with the level of 5-7%. Of course it becomes the source of problems of the slowing economic growth in Indonesia caused by the lack of entrepreneurial sector in Indonesia. It is because the entrepreneurial sector is an important part in running trade economic in a state.

The number of entrepreneurs in Indonesia is still around 1.65% (<http://economy.okezone.com/read/2015/03/12/320/1117586/jumlah-wirausahawan-indonesia-kalah-dari-malaysia-singapura/29>, June 2015: 10:45) of the total population of

Indonesian entrepreneurs still below ASEAN neighboring countries such as Singapore (7%), Malaysia (5%) and Thailand (4%) (Republika online/June 5, 2015/10:45 A.M.). This picture of condition shows that Indonesia is still dominated by big businessmen and investors from other States that indirectly control the strategic sectors in Indonesia such as mining and energy, infrastructure, telecommunications, and banking, stocks and property.

Government as the policy maker in driving the economy of a country has to make a breakthrough to improve the entrepreneurial sector in Indonesia. One of them is activity related to entrepreneurship at various Universities to create a new entrepreneurial candidates coming from Universities. It is expected from the entrepreneurship programs at Higher Education level that the students graduated want to become entrepreneurs as the career choice. Besides, the government has also conducted several things such as the provision of subsidized SMEs loans from Corporate Social Responsibility (CSR) fund of large companies and State-Owned Enterprises, tax exemption on SMEs, counseling to small entrepreneurs and also some contests in increasing entrepreneur motivation among the younger generation, brand making and subsidized halal certification. However, these efforts have not increased significantly the number of entrepreneur into ideal number of entrepreneurs as the requirements of a Country categorized as developed country that has a number of entrepreneurs around 5%.

The low interest of entrepreneurs especially among the younger generation of productive labor force is dominated by university graduates becoming major factor of low number of entrepreneurs in Indonesia. According to the data from the Ministry of Cooperatives and SMEs, the number of young entrepreneurs is only around 0.43% (<http://swa.co.id/business-strategy/management/menteri-koperasi-dan-ukm-wirusaha-di-indonesia-harus-bisa-mencapai-2-dari-total-populasi/29>, June 2015: 10:50) of the current productive age. The are many factors causing this condition including: 1. The education system in Indonesia has not been able to create a curriculum that can change the students mindset as young people who have interest to become entrepreneurs as the career choice (<http://www.umi.ac.id/jumlah-wirusahawan-rendah-sebabkan-pengangguran-dan-kemiskinan.html/29> Juni 2015/11.00). This of course requires the government to create and stimulate the younger generation to have the mindset and career choice to become entrepreneurs. 2. The lack of encouragement so that younger generations have the creativity and innovation so as to make creative ideas and products that have sale values in both domestic and international markets. This of course will make all commodities in Indonesia have the added value of products sold in the form of raw materials into high-value products currently still dominated by imported goods that have good quality and lower price than domestic products. 3. Young entrepreneurs in Indonesia still think instantly and do not understand the process of starting and raising a new business. In addition, younger generation do not have the entrepreneurial spirit such as optimism, never giving up, positive thinking and rising from failure to keep developing ideas and innovation in raising the business.

Indonesia as a developing country desiring to be a developed country by 2040 should be able to boost the number of new entrepreneurs for productive labor force to compete in AEC (ASEAN Economic Community) and AFTA (Asia Free Trade Agreement) already in front of

the eyes. This competition is not only a competition for the products and selling value marketed but also the competition concerning Indonesian human resources as a whole. Effectuation process is a process started with what a person has (who they are, what they know, and whom they know) and then choose among the results that may be achieved.

Human Resources are actors allowing the creation of one or several effects that may occur regardless of the ultimate goal to be achieved from what have begun. A man who becomes an entrepreneur will create products or value allowing, in the realization, to give some effects that may occur, including in decision-making so as to form or establish long-term objectives and use contingencies if the decision-making process is less precise. The effectuation principle surely helps entrepreneurs think on the environmental situation with high uncertainty. Effectuation pattern is supposed to be owned by entrepreneurs to be able to quickly feel, act or mobilize, in uncertainty condition.

Effectuation process is a process begins with what a person has (who they are, what they know, and whom they know) and then chooses among the results that may be achieved. Effectuation process allows entrepreneurs to create one or several effects that may occur regardless of the ultimate objective to be achieved from what have begun. This process not only allows the realization of some effects that might occur, but also allows the decision making to change its objectives or even to form and establish the whole time objectives, use contingency when the process arises. Effectuation principle helps entrepreneurs think in an environment with high uncertainty. The mindset of entrepreneurship involves the ability to quickly feel, act and mobilize, even under uncertainty conditions.

Illustrating the extent to which entrepreneurs become dynamic, flexible, self-regulating, and involved in the process of obtaining a variety of decision-making framework that focuses on the ability to perceive and process the changes in their environment and act against such changes, Hisrich et al (2008: 46).

Entrepreneurs in their business must also have the cognitive ability to adapt: ability to reflect, understand or control others and continue to learn. Metacognitive describes a cognitive process becoming the basis for organizing what a person knows, and has a responsibility to him or herself, tasks and environments. Effective cognitive function is adapted in facing feedback in a dynamic and complex environment.

Business failure for entrepreneurs is a very valuable experience, although it is not unpleasant for Human Resources who want to be in a comfort zone. Meanwhile, entrepreneurs having many experiences of course have knowledge in the required tasks more effectively so that their business can run successfully.

Because it is not impossible if Human Resources do not have effectuation, cognitive adaptability and learning from business failure, Indonesia will experience a period of economic stagnation even Indonesia could be controlled by foreign nations because its human resources do not have entrepreneurial spirit that can improve the economy of Indonesia.

Research Problem

- a. Does effectuation variable affect the entrepreneurship mindset of students at private higher education in Medan?
- b. Does cognitive adaptability variable affect the entrepreneurship mindset of students at private higher education in Medan?
- c. Does learning from business failure variable affect the entrepreneurship mindset of students at private higher education in Medan?

Research Objectives

- a. To determine the effect of effectuation variable on the entrepreneurship mindset of students at private higher education in Medan
- b. To determine the effect of cognitive adaptability variable on the entrepreneurship mindset of students at private higher education in Medan
- c. To determine the effect of learning from business failure variable on the entrepreneurship mindset of students at private higher education in Medan

LITERATURE REVIEW

The concept of Entrepreneurship

Entrepreneurship is the process of creating something new on the value of using time and efforts needed, bearing financial, physical, and social risks that accompany, receive monetary reward generated, as well as personal satisfaction and freedom (Hisrich, et al 2008: 10). According Zimmerer (1996), entrepreneurship is a combination of creativity, innovation and courage to face risks undertaken by way of hard work to establish and maintain new business. Entrepreneurship can also be defined as a spirit, ability, attitude, behavior of individuals in handling the business / activities leading to the efforts of searching, creating, implementing ways of working, new technologies and products by improving efficiency in order to provide good service and or make greater profit.

Entrepreneurial science is a discipline studying values, abilities and behavior of someone in facing life challenges to acquire opportunity with a variety of risks that may be encountered (Suryana, 2001).

According to behaviorists, entrepreneurship plays an important role in the success of a person (Kets de Vries, 1977). Entrepreneur is generally defined as a warrior that is gallant, noble, brave and deserves to be model in the field of business. Entrepreneurs are those who have the entrepreneurial traits, namely courage to take risks, virtue, creativity, exemplary in dealing with the business grounded on willingness and self-ability (Siagian, 1995: 4).

Meredith (1992: 5) states that the profile of an entrepreneur must have the characteristics and nature of (1) confidence, (2) task and result-oriented, (3) business failure, (4) not easily satisfied. Hisrich and Peter (1992: 283) state that there are seven characteristics that must be had by entrepreneurs including (1) competent in various fields of business, (2) having strong

determination and belief, (3) results-oriented, (4) innovative and idealistic, (5) high degree of independence, (6) high working spirit, (7) boss (leader) stylized.

Entrepreneurship is a way of thinking, analyzing, and acting based on business opportunities, holistic approach and balanced leadership (Timmons & Spinelli, 2004: 31).

Entrepreneurship Mindset

Mindset is a filter built to interpret what is seen and experienced (Kasali et al 2010: 24). Mindset can be changed because mindset is the result of learning, unlearning, and relearning processes. There is mindset easy or hard to change. There is one fast or requiring a long time. There is one that can be changed by self-awareness, there is one changed after a particular event. There is mindset that can be changed with the help of experts, such as psychologist, transformation mindset experts, or NLP (Neuro Linguistic Program) therapists.

According to Ghazali (1995) and Othman et.al. (2006), students with work experiences likely to increase the entrepreneurship.

Mindset appears to be a promising thing. Mindset can be described as a strategy that involves and changes individual interaction and experiences with his or her environment (Gollwitzer, 1990).

Some researchers have also defined entrepreneurship as activity of pattern introduction and discover mindset or mental frame of key features in the process of opportunity introduction (Munoz, Mosey, and Binks, 2011).

Mindset is understood as a general cognitive operations with different features that facilitate the tasks assigned (Torelli & Kaikati, 2009: 233). Mindset as the stimulus process is associated with the tendency of individual stable behavior, but easily formed and as demonstrated by experience experiments. (Humphrey, 1951).

Factors Affecting Entrepreneurship Mindset

With the decision-making environment, entrepreneurs must: (1). foster effectuation, (2) be able to adapt cognitively, and (3) learn from failure.

(1). Effectuation

According Hisrich et al (2008: 36), effectuation process is a process begins with what a person has (who they are, what they know, and whom they know) and then choose among the results that may be achieved.

Effectuation process allows entrepreneurs to create one or several effects that may occur regardless of the ultimate objectives to be achieved from what have begun. This process not only allows the realization of some effects that might occur, but also allows the decision making to change its objectives or even to form and establish whole time objectives, using contingency when the process arises. This effectuation principle helps entrepreneurs think in an environment with high uncertainty. Entrepreneurship mindset involves the ability to quickly feel, act and mobilize, even under uncertainty condition.

(2). *Cognitive adaptability*

Illustrating the extent to which entrepreneurs become dynamic, flexible, self-regulating, and involved in the process of obtaining a variety of decision-making framework that focuses on the ability to perceive and process the changes in their environment and act against such changes, Hisrich et al (2008: 46).

Cognitive adaptability is reflected in metacognitive awareness of entrepreneurs, namely the ability to reflect, understand, and control others' way and learn. In specific, metacognitive describes high-level cognitive processes that form the basis for organizing what are known by individuals, recognizing themselves, tasks, situations, and their environment to promote effective cognitive function and adaptable in facing the feedback from dynamic and complex environment.

(3). *Lessons learned from business failure*

Business failure occurs because of the decrease in revenue and / or increase in expenditure on a very large scale. Although there are many cases of business failures, the most common thing is insufficient experiences. Entrepreneurs having more experiences will have the knowledge to do the roles and duties required more effectively in achieving success. Entrepreneurs learn more from failure than from success. The failure of a business tends to produce a negative emotional response from entrepreneurs, this negative emotional response is called grief (Hisrich et.al., 2008: 49).

Hypothesis

The hypotheses in this study are:

- a. There is an effect of effectuation on the variable of entrepreneurship mindset of students at private higher education in Medan
- b. There is an effect of cognitive adaptability on the variable of entrepreneurship mindset of students at private higher education in Medan
- c. There is an effect of learning from business failure on the variable of entrepreneurship mindset of students at private higher education in Medan

RESEARCH METHOD

Types of Research

This was exploratory research aiming to find or formulate problems of a phenomenon (Rochaety et al, 2009: 13). The approach was quantitative using survey research, that was taking samples from population and using questionnaire to collect the data.

Research Location

This research was located at 4 Economics Faculties of Private Universities, namely North Sumatra Islamic University, Medan Area University, North Sumatra Muhammadiyah University, Higher School of Economics Science Harapan located in the area of Medan City that have entrepreneurship courses in the curriculum and accreditation B.

Research Subjects

The research subjects were students of the Private Higher Education Institutions who have taken entrepreneurship courses.

Sampling Technique

Respondents of this study was determined using purposive sampling method, that is sampling used when the researcher has understood and believed that the information needed for the study will be obtained from a target group based on the criteria the researcher has established (Supranto and Limakrisna, 2013: 43). The respondents were selected based on the provision of students who have taken entrepreneurship courses.

Variable Operational Definition

Based on the formulation of problem and literature review, in this study there were four variables studied, namely:

Effectuation process variable (X₁)

According Hisrich et al (2008: 36), effectuation process is a process started with what a person has (who they are, what they know, and whom they know) and then choose among the results that may be achieved.

Cognitive adaptability variable (X₂)

Illustrating the extent to which entrepreneurs become dynamic, flexible, self-regulating, and involved in the process of obtaining a variety of decision-making framework that focuses on the ability to perceive and process the changes in their environment and act against such changes, Hisrich et al (2008: 46).

Learning for business failure (X₃)

Business failure occurs because of the decrease in revenue and / or increase in expenditure on a very large scale.

Entrepreneurship mindset (Y)

Mindset is the overall / unity of belief we have, values we embrace, criteria, expectations, attitudes, habits, decisions, and opinions we produce in looking at ourselves, others, or life. Mindset is a filter built to interpret what is seen and experienced (Kasali et al 2010: 24).

Table 1. Variable Operational Definition

Variables	Definitions	Indicators
<i>Effectuation process variable (X₁)</i>	A process started with what a person has (who they are, what they know, and whom they know) and then choose among the results that may be achieved.	1. Focusing on the results 2. Making decision alternatives 3. Self-ability
<i>Cognitive adaptability</i>	Illustrating the extent to which entrepreneurs become dynamic,	1. Metacognitive knowledge

Variables	Definitions	Indicators
<i>variable</i> (X ₂)	flexible, self-regulating, and involved in the process of obtaining a variety of decision-making framework that focuses on the ability to perceive and process the changes in their environment and act against such changes	2. Experiences 3. Monitoring
<i>Learning for business failure</i> (X ₃)	Business failure occurs because of the decrease in revenue and / or increase in expenditure on a very large scale.	1. Emotion response 2. Learning process 3. Expression
<i>Entrepreneurship mindset</i> (Y)	Overall / unity of belief we have, values we embrace, criteria, expectations, attitudes, habits, decisions, and opinions we produce in looking at ourselves, others, or life	1. Values 2. Belief 3. Attitude 4. Expectations

Measurement or commonly called scaling of research is necessary because from the scale it can be determined the analysis techniques to be used. The selection of analytical method is based on research objectives and scale (measurement level) used. Based on the objectives, the research used interval scale.

To do data analysis, it was performed Multiple Regression Analysis to test whether the independent variables, namely effectuation process variable (X₁), cognitive adaptability variable (X₂), learning from business failure variable (X₃) had influence or not on the dependent variable, namely entrepreneurship mindset. Multiple Regression Analysis was used in this study because it was assumed that the dependent variable was affected by more than one independent variables. Multiple regression equation model used in this study is as follows:

$$Y = \beta_0 + \beta_1 X_1 + \beta_2 X_2 + \beta_3 X_3 + e$$

In which:

Y = Entrepreneurship Mindset

β_0 = Constant Y

β_1 = Coefficient of Variable X₁

β_2 = Coefficient of Variable X₂

β_3 = Coefficient of Variable X₃

X₁ = Effectuation Process

X₂ = Cognitive adaptability

X_3 = Lessons learned from business failure

e = error or disturbance

The hypothesis testing used t test, F test and goodness of fit model.

a) F Test

To prove the initial hypothesis regarding the independent variables on the dependent variables simultaneously.

Testing criteria used are as follows:

- $H_0 : \beta_i = 0$ means there is no effect of effectuation process, cognitive adaptability, learning from business failure on entrepreneurship mindset.

- $H_1 : \beta_i \neq 0$ means there is effect of effectuation process, cognitive adaptability, learning from business failure on entrepreneurship mindset.

With the provision of decision-making:

- H_0 is accepted and H_1 is rejected, if F count is $< F$ table at $\alpha = 5\%$

- H_0 is rejected and H_1 is accepted, if F count is $> F$ table at $\alpha = 5\%$

b) T Test

To prove the initial hypothesis regarding the independent variables on the dependent variable partially.

Testing criteria used are as follows:

- $H_0: \beta_i = 0$ means there is no effect of effectuation process, cognitive adaptability, learning from business failure on entrepreneurship mindset.

- $H_1: \beta_i \neq 0$ means there is no effect of effectuation process, cognitive adaptability, learning from business failure on entrepreneurship mindset.

With the provision of decision-making:

- H_0 is accepted and H_1 is rejected, if t count is $< t$ table at $\alpha = 5\%$

- H_0 is rejected and H_1 is accepted, if t count is $> t$ table at $\alpha = 5\%$

c) Test of Goodness of fit model

This testing is conducted to determine the feasibility of a regression model viewed from R-square value.

RESULTS AND DISCUSSION

Characteristics of Respondents by Age

Table 2. Characteristics of Respondents by Gender

CHARACTERSTICS	FREQUENCY	%
Sex		
a. Male	67	24.5
b. Female	206	75.5
TOTAL	273	100

Source: Processed Primary Data, 2015

Based on Table 2 above it can be seen that the majority of respondents of this study are female totaling 206 people (75.5%) and men totaling 67 people (24.5%). Therefore, it can be concluded that in this study there are more female respondents.

Table 3. Characteristics of Respondents by Age

CHARACTERSTICS	FREQUENCY	%
Age		
1. 18 years old	2	0.7
2. 19 years old	57	20.9
3. 20 years old	107	39.2
4. 21 years old	73	26.7
5. 22 years old	21	7.7
6. 23 years old	7	2.6
7. 24 years old	4	1.5
8. 26 years old	1	0.4
9. 29 years old	1	0.4
TOTAL	273	100

Source: Processed Primary Data, 2015

Based on Table 3 above it can be seen that the majority of respondents of this study are 20 years old totaling 107 respondents (39.2%) and the least is the respondents aged 26 and 29 years old totaling respectively 1 respondent (0.4%). Also, respondents aged 18 years old are 2 respondents (0.7%), respondents aged 19 years old are 57 respondents (20.9%), respondents aged 21 years old are 73 respondents (26.7%), respondents aged 22 years old are 21 respondents (7.7%), respondents aged 23 years old are 7 respondents (2.6%) and respondents aged 24 years old are 4 respondents (1.5%).

Table 4. Characteristics of Respondents by Semester

CHARACTERSTICS	FREQUENCY	%
Age		
1. Semester 4	79	28.9
2. Semester 6	176	64.5
3. Semester 7	1	0.4
4. Semester 8	17	6.2
TOTAL	273	100

Source: Processed Primary Data, 2015

Based on Table 4 above it can be seen that the majority of respondents are in semester 6 with 176 respondents (64.5%), and the least respondents are in semester 7 with 1 respondents (0.4%), and respondents in semester 4 are 79 respondents (28.9%), and respondents in semester 8 are 17 respondents (6.2%).

Table 5. Characteristics of Respondents by Faculty

CHARACTERSTICS	FREQUENCY	%
Age		
1. Economics Faculty of UMSU	79	28.9
2. Economics Faculty of UMA	72	26.4
3. Economics Faculty of UISU	55	20.1
4. Economics Faculty of HARAPAN	76	24.5
TOTAL	273	100

Source: Processed Primary Data, 2015

Based on Table 5 above it can be seen that the majority of respondents are from Economics Faculty of North Sumatra Muhammadiyah University (UMSU) totaling 79 respondents (28.9%), and the least are respondents from Economics Faculty of North Sumatra Islamic University (UISU) totaling 55 respondents (20.1%), and respondents from Economics Faculty of Medan Area University (UMA) totaling 72 respondents (26.4%), and respondents from Economics Faculty of Higher School of Economics Science Harapan (HOPE) totaling 76 respondents (24.5%).

Table 6 Characteristics of Respondents by Number of Child

CHARACTERSTICS	FREQUENCY	%
Age		
1. 1 st	89	32.6
2. 2 nd	70	25.6
3. 3 rd	71	26.0
4. 4 th	23	8.4
5. 5 th	9	3.3
6. 6 th	7	2.6
7. 7 th	3	1.1
8. 9 th	1	0.4
TOTAL	273	100

Source: Processed Primary Data, 2015

Based on Table 6 above it can be seen that the majority of respondents are the first child totaling 89 respondents (32.6%), and the least are the ninth child totaling 1 respondent (0.4%). Also, respondents who are the second child are 70 respondents (25.6%), respondents who are the third child are 71 respondents (26.0%), respondents who are the fourth child are 23 respondents (8.4%), respondents who are the fifth child are 9 respondents (3.3%), respondents who are the sixth child are 7 respondents (2.6%), and respondents who are the seventh child are 3 respondents (1.1%).

Hypothesis Testing

According to statistical analysis using SPSS 19, it is obtained the results of multiple linear regression which can be seen in Table 7 as follows

Table 7. Coefficients^a

Model		Unstandardized Coefficients		Standardized Coefficients	T	Sig.	Collinearity Statistics	
		B	Std. Error	Beta			Tolerance	VIF
1	(Constant)	3.160	1.972		1.602	.110		
	Effectuation	.289	.071	.251	4.038	.000	.687	1.456
	Cognitive	.056	.016	.222	3.374	.001	.611	1.636
	Learning	.241	.067	.207	3.620	.000	.813	1.230

a. Dependent Variable: mindset

Based on the results of data calculations as shown in Table 4.6 above, it can be obtained the multiple linear regression equation as follows:

$$Y = 3.160 + 0.289 X_1 + 0.056 X_2 + 0.241 X_3 + e$$

To measure the magnitude of effects of independent variables, namely effectuation process variable (X_1), cognitive adaptability variable (X_2), learning from business failure variable (X_3) on entrepreneurship mindset (Y), it can be seen from determination (R^2) coefficient value in Table 8 as follows:

Table 8. Model Summary

Model	R	R Square	Adjusted Square	R	Std. Error of the Estimate
1	.535 ^a	.286	.279		3.48723

a. Predictors: (Constant), Learning, Effectuation, Cognitive

b. Dependent Variable: Mindset

In Table 8, the value of Adjusted R Square is equal to 0.279 between $0 < R^2 < 1$ which means that 27.9% Entrepreneurship Mindset in students is affected quite tightly by Effectuation variable (X_1), Cognitive Adaptability variable (X_2), Learning from Business Failure variable (X_3) while the remaining 72.1% can be explained by other factors not included in this study.

F Test (Simultaneous Test)

The results of F-test (Simultaneous Test) can be seen in Table 9 below:

Table 9. Simultaneous Test (F Test)
ANOVA^b

Model		Sum of Squares	Df	Mean Square	F	Sig.
1	Regression	1313.451	3	437.817	36.002	.000 ^a
	Residual	3271.252	269	12.161		
	Total	4584.703	272			

a. Predictors: (Constant), Learning, Effectuation, Cognitive

b. Dependent Variable: Mindset

Based on Table 9 above, it shows the value of F_{count} equal to 36.002 with a significance level of 0.000, while the value of F_{table} is equal to 2.41. From these results, F_{count} (36.002) > F_{table} (2.41) and the level of significance of $0.000 < 0.05$. It indicates that Effectuation variable (X_1), Cognitive Adaptability variable (X_2), Learning from Business Failure variable (X_3), jointly or simultaneously have positive and significant effect on Entrepreneurship Mindset.

T test (Partial Test)**Table 10. T test (Partial Test)**Coefficients^a

Model		Unstandardized Coefficients		Standardized Coefficients	T	Sig.	Collinearity Statistics	
		B	Std. Error	Beta			Tolerance	VIF
1	(Constant)	3.160	1.972		1.602	.110		
	Effectuation	.289	.071	.251	4.038	.000	.687	1.456
	Cognitive	.056	.016	.222	3.374	.001	.611	1.636
	Learning	.241	.067	.207	3.620	.000	.813	1.230

a. Dependent Variable: Mindset

According to Table 10 above, it can be determined the value of t_{count} of each variable, that can be summarized as follows:

- 1) Effectuation Variable (X_1), has the value of t_{count} equal to 4.038 with the significance level of 0,000, while the value of t_{table} is equal to 1.65. Thus, based on these results, t_{count} (4.038) > t_{table} (1.65) at the level of significance of $0.000 < 0.05$. This indicates that effectuation variable individually or partially has positive and significant effect on Entrepreneurship Mindset.
- 2) Cognitive Adaptability variable (X_2), has the value of t_{count} equal to 3.374 with the significance level of 0.001, while the value of t_{table} is equal to 1.65. Thus, based on these results, t_{count} (3.374) > t_{table} (1.65) and the level of significance is $0.001 < 0.05$. This indicates that Cognitive Adaptability variable individually or partially has positive and significant effect on Entrepreneurship Mindset.
- 3) Learning from Business Failure variable (X_3), has the value of t_{count} equal to 3.620 with the significance level of 0.000, while the value of t_{table} is equal to 1.65. Thus, based on these results, t_{count} (3.620) > t_{table} (1.65) and the level of significance is $0.000 < 0.05$. This indicates that Learning from Business Failure variable individually or partially has positive and significant effect on Entrepreneurship Mindset.

DISCUSSIONS

1. Effect of Effectuation on Entrepreneur Mindset.

Based on the research results in Table 4.6, effectuation variable has significant effect on entrepreneurship mindset of students at private higher education in Medan with the significance value of 0.000. This indicates that effectuation variable at private higher education in Medan is influential in forming the mindset of students in entrepreneurship. With the effect of effectuation factor in students, it is expected to achieve the increase in students' desire to do entrepreneurship. This effectuation principle helps students in entrepreneurship mindset to be able to think in an environment with high uncertainty (Hisrich, 2008: 36).

2. Effect of Cognitive Adaptability Variable on Entrepreneur Mindset.

Based on the research results in Table 4.6, cognitive adaptability variable has significant effect on entrepreneurship mindset of students at private higher education in Medan with the significance value of 0.000. This indicates that cognitive adaptability variable at

private higher education in Medan is influential in forming the mindset of students in entrepreneurship. It is in accordance with Hisrich opinion (2008: 36), that high-level cognitive processes make the basis for organizing what are known by individuals, recognizing themselves, tasks, situations, and their environment to promote effective cognitive function and adaptable in facing feedback from dynamic and complex environment.

3. Effect of Learning from Business Failure Variable on Entrepreneur Mindset.
Based on the research results in Table 4.6, learning from business failure variable has significant effect on entrepreneurship mindset of students at private higher education in Medan with the significance value of 0.000. This indicates that learning from business failure variable at private higher education in Medan is influential in forming the mindset of students in entrepreneurship. Entrepreneurs having much more experiences will have the knowledge to do the roles and duties required more effectively in achieving success.

CONCLUSIONS AND RECOMMENDATIONS

Conclusion

1. Of F test results, it is obtained that Effectuation variable (X_1), Cognitive Adaptability variable (X_2), and Learning from Business Failure variable (X_3) significantly affect Entrepreneurship Mindset variable (Y) of students at private higher education in Medan.
2. Of t test results partially, it is obtained that Effectuation variable (X_1), Cognitive Adaptability variable (X_2), and Learning from Business Failure variable (X_3) significantly affect Entrepreneurship Mindset variable (Y)

Suggestion

1. Method of changing entrepreneurship mindset is by reviewing the entrepreneurship curriculum with emphasis on the practice of entrepreneurship courses.
2. Enhancing creativity by seeing the condition directly in the field and raising early awareness in entrepreneurship.

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