

CHAPTER I

INTRODUCTION

1.1 Background

Indonesia is still a developing country marked by the condition of people who have low per capita income, most of the population is poor, technology has not yet reached remote areas and the number of unemployed is still high. Unemployment occurs because the comparison of job seekers is too much at all levels of education ranging from junior high school to university level is not proportional to the available jobs, so there are still many unemployed (Yunita, 2014).

There are two solutions to overcome unemployment that can be done by the government. The government can address unemployment directly and indirectly. In overcoming unemployment directly the government can create as many jobs as possible evenly, while in overcoming unemployment indirectly the government needs to provide knowledge, skills and entrepreneurial attitudes to job seekers through entrepreneurship development (Sari, 2018).

Entrepreneurship has a great influence in building the mentality of the Indonesian people, adding jobs, overcoming unemployment, and strengthening the Indonesian economy. One entrepreneur will give birth to another entrepreneur, the more entrepreneurs, the more jobs, so that unemployment will be overcome by the many jobs created by entrepreneurs, the number of entrepreneurs in Indonesia is still relatively low, currently the ratio of domestic entrepreneurs is still around 3.1% of the total population of 265 million people or about 8.06 million people who are entrepreneurs. This figure is very small when compared to Singapore which reaches 7% and China and Japan which are already above 10%, even though this ratio has exceeded international standards, which is 2% (Hartarto, 2018).

Around 99.9% of the total number of national MSME actors, which are approximately 57.9 million. In the last five years, the MSME sector contributed to employment opportunities reaching 97% or 107.7 million people. That's why we need the right solution to reduce the number of unemployed. One of them is by encouraging the growth rate of small and medium enterprises throughout Indonesia. MSMEs have a strategic role in fighting poverty and unemployment. The strength of the MSME sector has been proven when Indonesia experienced the financial crisis in 1997-1998. Only the MSME sector is still growing, even after the economic crisis the number of MSMEs has not decreased, it continues to increase. (Kusumaningrum, 2018).

According to Wulan Ayodya (2016), the culinary business is a business that conducts sales transactions in the food and beverage sector. Examples of culinary businesses that are currently developing are chicken satay, soto medan, satay padang, seafood, fried chicken, meat ball, siomay, chicken noodle, and many other choices.

Bengkalis city center park is one of the tourist attractions in the Bengkalis sub-district which is located on Jendral Sudirman sreet Bengkalis which sells various types of culinary. Bengkalis city center park has an attraction because it has business potential, is located in the city center, has a fountain tourist attraction, and is located close to the beach. Based on the official website of the Bengkalis district government, the park, which is located in the center of the city, is the place most visited by the public, both from outside and from within. This park has a very interesting place which is equipped with various facilities, such as chairs and rest buildings, beautiful gardens, children's playgrounds, beautiful flower gardens, and free wifi. The number of business people in Bengkalis city center Park is as follows:

Table 1.1 The number of business people in Bengkalis city center Park

No.	Location	Types of Culinary Business in Bengkalis City Center Park	Total
1.	Andam dewi park	Heavy Meal	5
		Snack	-
		Drink	6
2.	Monument field	Heavy Meal	-
		Snack	9
		Drink	6
3.	Sand field	Heavy Meal	15
		Snack	8
		Drink	19
4.	Fountain	Heavy Meal	9
		Snack	11
		Drink	28
Sub total			116

Source: Processed Data 2021

Entrepreneurs are not only owned by wealthy entrepreneurs, but to everyone who has a strong will and has optimism and creativity, for example, farmers, employees, teachers, and so on (Firmansyah, 2013). The belief in one ability to become an entrepreneur is often referred to as entrepreneurial self-efficacy (ESE). According to Mc. Gee et. al. (2009) entrepreneurial self-efficacy is a construct that measures an individual's belief in the abilities possessed in engaging in the world of entrepreneurship.

Based on the background that has been described, the authors are hereby interested in conducting research with the title "**Analysis of Entrepreneurial Intention and Entrepreneurial Self Efficacy of Youth Entrepreneurs At The Culinary Center of Bengkalis City Center Park**".

1.2 Formulation of the Problem

Based on the description of the background above, the formulation of the problem in the research, these are:

1. What is factors that are forming entrepreneurial intentions in youth entrepreneurs at the Culinary Center of Bengkalis City Center Park.
2. What is factors that are forming entrepreneurial self-efficacy in youth entrepreneurs at the Culinary Center of Bengkalis City Center Park.
3. What is the constraints and solutions experienced by youth entrepreneurs at the Culinary Center of Bengkalis City Center Park.

1.3 Purpose of the Study

Based on the formulation of the problem, the authors can mention the objectives of this study are :

1. To find out the highest and lowest factors that are forming entrepreneurial intentions in youth entrepreneurs at the Culinary Center of Bengkalis City Center Park.
2. To find out the highest and lowest factors that are forming entrepreneurial self-efficacy in youth entrepreneurs at the Culinary Center of Bengkalis City Center Park.
3. To find out Constraints and solutions experienced by youth entrepreneurs at the Culinary Center of Bengkalis City Center Park.

1.4 Significance of the Study

Based on this study, the author can divide the Significant to the study into three part as follows:

1. Benefits for academic

This research is expected to provide many benefits, both adding insight, knowledge and providing information and input to research for the next stage.

2. Benefits for youth entrepreneurs

This research is expected to provide good input in order to maintain business continuity and increase product sales.

3. Benefits for author

It is hoped that it can provide a learning experience for writers in writing scientific papers, especially in developing insights about increasing knowledge, capacity, and income.

1.5 Scope and Limitation of the Problem

In order to be more focused, conceptualized and get results that are applied, the authors need to limit the problems to be discussed, so that they do not get out of the topic of the problem, namely those that study the analysis of

entrepreneurial intentions and entrepreneurial self-efficacy of youth entrepreneurs at the Culinary Center of Bengkalis City Center Park.

1.6 Writing System

In order for the writing of this thesis report to be systematic and neatly arranged, a systematic report writing is needed. The following is a systematic thesis report writing:

CHAPTER 1: INTRODUCTION

In CHAPTER 1 explains the background of the problem, the formulation of the problem, the study objectives, the benefits of the study, the scope of the study, the limitations of the problem, and framework as well as the systematic writing of reports.

CHAPTER 2: LITERATURE REVIEW

In CHAPTER 2 describes the literature review and the basis of previous theory that will be used in the completion of the study.

CHAPTER 3: STUDY METHOD AND PROCESS

In CHAPTER 3 will explain the implementation plan, starting from the location, time and object of study, types and sources of data, data analysis methods, types of study, concept definition and operational variable, study schedule and budget.

CHAPTER 4: RESULTS AND DISCUSSION

In this chapter 4 will explain the results and discussion of study

CHAPTER 5: CONCLUSIONS AND SUGGESTIONS

In this chapter 5 will explain the conclusions and suggestions of the study carried out.