

MILLENNIALS' CAREER COMMITMENT IN DIGITAL ENTREPRENEURSHIP: A STUDY OF MSMEs IN INDRAGIRI HILIR REGENCY

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Abstract: This study examines the influence of Millennial Career Commitment on Digital Entrepreneurship in MSMEs in Indragiri Hilir Regency. Using a quantitative method with the SEM-PLS approach, data were collected from 80 millennial MSMEs through questionnaires and analyzed with SmartPLS. The results show that Millennial Career Commitment has a positive and significant effect on Digital Entrepreneurship (*path coefficient*=0,901; *t-statistic*=39,376; *p-value*=0.000). The findings indicate that high career commitment among millennials is correlated with increased adoption of digital entrepreneurship. The implications of this research emphasize the importance of government support in the form of digital training and access to capital, as well as the urgency for MSMEs to adapt to digital technology. Future research could explore mediating variables such as technological support or government regulations.

Keywords: Millennial Career Commitment, Digital Entrepreneurship, MSMEs

1. Introduction

The development of the digital economy has driven transformation in various sectors, including Micro, Small, and Medium Enterprises (MSMEs). Digitalization provides opportunities for MSMEs to expand their markets, improve operational efficiency, and create more competitive business innovations. However, the success of digital entrepreneurship is determined not only by technology adoption but also by the career commitment of the individuals pursuing it, especially among the millennial generation. In Indragiri Hilir Regency, a major challenge in developing digital entrepreneurship remains the low career commitment of millennials in the business world and their lack of preparedness for digital transformation.

According to data from the Cooperatives and MSMEs Office in Indragiri Hilir Regency, there are 7,321 MSMEs, the majority of which still rely on conventional business methods with low levels of technology adoption. Despite increasing access to technology, many young entrepreneurs lack a strong commitment to developing digital-based businesses. Factors such as income uncertainty, lack of ongoing training, and limited digital infrastructure are major obstacles to the development of digital entrepreneurship in this region.

(Nabi, *et al*, 2018) emphasized that entrepreneurship education in the first year of higher education can increase entrepreneurial intentions among students, which has implications for increasing career commitment in the field of digital entrepreneurship. (Hsieh, *et al*, 2019) shows that technology adoption in MSMEs is highly dependent on individual readiness and

motivation in developing their business. This study highlights that entrepreneurs with a high level of career commitment tend to be more adaptive to digital innovation. Individuals' confidence in their digital capabilities (*self-efficacy*) plays a crucial role in entrepreneurial success in the digital era. (Liñán, F., & Fayolle, 2015) found that entrepreneurial intentions are strongly influenced by the social and cultural environment. The social and cultural environment significantly influences individual entrepreneurial intentions, which can influence millennials' career commitment to digital entrepreneurship.

Winner,*et al*, (2016) highlights the importance of the role of *self-efficacy* in digital entrepreneurship. This study shows that individuals with a high level of *self-efficacy* High self-efficacy tends to have a stronger commitment to their entrepreneurial careers. Strong social identity and career commitment contribute to entrepreneurial success, including in the digital context. (Bandura,*et al*, 2019) emphasizes that psychological factors such as resilience in facing business risks significantly influence career commitment in the digital world. Millennials who have a negative perception of digital business risks tend to abandon their careers as entrepreneurs more easily, resulting in low levels of digital business sustainability in the region. Psychological factors such as *self-efficacy* influences individual commitment in facing the challenges of digital entrepreneurship. (Priyono,*et al*, 2020) emphasized that the success of digital transformation in MSMEs is greatly influenced by the involvement of the younger generation, who are highly motivated and committed to developing technology-based businesses. However, in Indragiri Hilir, limited policy support and a lack of digital business incubation programs are factors that hinder the active involvement of millennials in the business world.

This study aims to analyze the extent to which millennial career commitment influences the success of digital entrepreneurship in Indragiri Hilir Regency. The results are expected to contribute to the development of policies and strategies to strengthen the role of millennials in the digital business ecosystem and increase the competitiveness of MSMEs in the digital economy era.

2. Literature Review

a. Millennial Career Commitment

In the theory presented (Hall, *et al*, 2021) Career commitment is a concept that describes how individuals, especially millennials, actively and independently manage their careers based on personal values and subjective goals, rather than rules or paths determined by the organization. This approach emphasizes flexibility, autonomy, and adaptability to dynamic job market changes. In a protean career, individuals have full control over their career development, seek opportunities that align with personal interests and values, and continuously improve skills to remain relevant in a rapidly changing world of work. This concept is also supported by the need for lifelong learning and the courage to take risks in the pursuit of career satisfaction and meaning. (Schweitzer,*et al*, 2023) Millennials can integrate digital technology into their career development and commitment, creating non-traditional career paths that enable mobility, flexibility, and sustainable growth through the utilization of digital tools and *platform online*.

Klein, *et al*, (2022) views millennial career commitment as a multidimensional construct consisting of affective components (emotional attachment), *continuance* (perceived costs of leaving a career), and normative (obligation to persist), with an emphasis on balancing various aspects of life. (Kuron, *et al*, 2023) Millennial career commitment is based on the alignment between personal values, social impact, and the meaning of work. Millennials tend to commit

to careers that allow them to express their identity and values, and make a positive contribution to society. (Akkermans, J., Richardson, J., & Kraimer, 2022) describe the tendency of millennials to develop hybrid career commitments, blending elements of traditional careers with entrepreneurial freedom, pursuing multiple streams of income, and integrating different types of work into a cohesive career portfolio. (Pyöriä, *et al*(2021) The unique career expectations of millennials influence their career commitment. Millennials tend to expect rapid advancement, regular feedback, recognition, and opportunities for continuous growth, which directly impact their level of commitment. Millennial career commitment refers to the level of engagement and dedication millennials have toward their chosen career path. Some indicators often used to measure career commitment among millennials include:

- a) Career Identity (*Career Identity*). The extent to which individuals identify themselves with their chosen profession or career.
- b) Career Planning (*Career Planning*). The degree to which individuals set goals and plans for their future career development.
- c) Career Resilience (*Career Resilience*). An individual's ability to persist and adapt in the face of challenges or changes in their career.

b. Digital Entrepreneurship

Digital Entrepreneurship is the process of creating and managing a business that utilizes digital technology as its core operation. This includes various activities such as selling products or services through online platforms, developing mobile applications, and using social media and cloud-based technologies to reach a wider market without geographical limitations. (Giones, F., & Brem, 2017) argues that digital technology entrepreneurship is the identification and exploitation of opportunities based on scientific or technological knowledge through the creation of digital artifacts. Digital entrepreneurship is a subcategory of entrepreneurship in which some or all of the elements that are usually physical in traditional organizations have been digitized (Kraus, *et al*, 2019). (Sartono, 2021) Digital entrepreneurship is the process of creating new businesses that utilize digital technology as a key component in operations and value creation. (O'Brien, 2003) Digital entrepreneurship involves the use of information systems and technology to support business and operational processes in order to achieve competitive advantage. (Musnaini, 2020) Digital entrepreneurship is the use of digital technology and appropriate marketing strategies to improve marketing performance and business competitiveness, especially in the context of Village-Owned Enterprises (BUMDes). Indicators of digital entrepreneurship include:

- a) Digital Innovation. The ability to develop new products or services that utilize digital technology.
- b) Utilization of Digital Platforms. The use of online platforms such as *e-commerce*, social media, or mobile applications for business operations.
- c) Mastery of Information Technology. The ability to operate and utilize software and other digital tools for business efficiency.
- d) Digital Marketing. A promotional and sales strategy that utilizes digital channels to reach and engage with customers.
- e) Adaptation to Technological Developments. Readiness and ability to adapt to ever-evolving technological changes and innovations.

3. Method

a. Research Approach

This study used a quantitative approach with a survey method to collect primary data. This approach was used to analyze the relationship between millennial career commitment and digital entrepreneurship and to examine the influence between variables.

b. Population and Sample

The population in this study was millennial MSMEs (aged 18–40) in Indragiri Hilir Regency who run digital-based businesses or utilize technology in their business activities. The sample was determined using the *purposive sampling*. The sample size was calculated using the (Hair, *et al* (2017) for SEM-PLS, which is 10 times the number of indicators in the research model. If the number of indicators in this study is 8, then the minimum sample size required is 80 respondents. Respondent selection is based on the following criteria:

- 1) Aged between 18–40 years (millennial generation category).
- 2) Having a micro, small, and medium enterprise (MSME) that actively uses digital technology in its operations.
- 3) Domiciled and running his business in Indragiri Hilir Regency.

c. Data Collection Techniques

Data were collected through a questionnaire consisting of statements related to millennial career commitment and digital entrepreneurship. The questionnaire was distributed in the form of *Google Form* or direct surveys of MSME actors in Indragiri Hilir Regency.

d. Data Analysis Techniques

Data was analyzed using *Structural Equation Modeling – Partial Least Squares* (SEM-PLS) with *software* SmartPLS. SEM-PLS is used because it can analyze relationships between latent variables even when the data is non-normally distributed and the sample size is limited. Testing includes: *Outer Model* (validity and reliability) and *Inner Model* (hypothesis testing and relationships between variables).

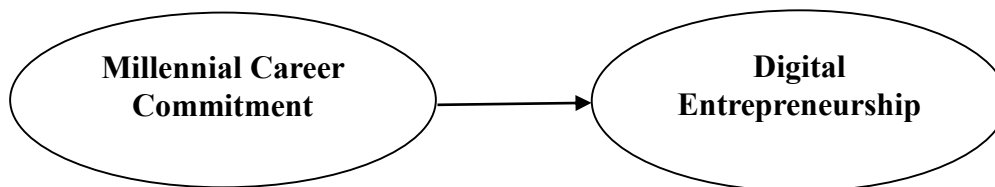


Figure 1. Research Framework Model

A research framework model describing the relationship between Millennial Career Commitment as the independent variable (X) and Digital Entrepreneurship as the dependent variable (Y). This model serves as the basis for testing hypotheses regarding the influence of Millennial career commitment on success in digital entrepreneurship.

4. Result and Discussion

The analysis of the relationship between Millennial Career Commitment and Digital Entrepreneurship is based on the collected data. This discussion includes an interpretation of the research findings, their relevance to the underlying theory, and comparisons with previous research. Furthermore, the implications of the research findings for the development of digital entrepreneurship among millennials, particularly in the context of MSMEs in Indragiri Hilir Regency, will be outlined.

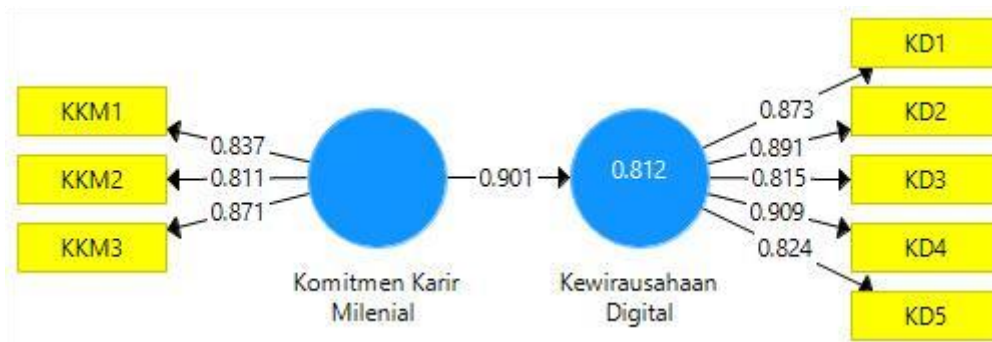


Figure 2: Analysis Algorithm Outer Model

Table 1. Analysis Outer Model Research Variables

Indicator Variable	Digital Entrepreneurship	Millennial Career Commitment	Cross Loading Value	Composite Reliability	Construct Reliability Value	Average Variance Extracted (AVE)	Cronbach's Alpha
KD1	0,873	0,813	Valid	0,936	Reliabel	0,746	0,915
KD2	0,891	0,728					
KD3	0,815	0,779					
KD4	0,909	0,893					
KD5	0,824	0,637					
KKM1	0,765	0,837	Valid	0,878	Reliabel	0,706	0,793
KKM2	0,662	0,811					
KKM3	0,830	0,871					

The results of the reliability and construct validity analysis in this study indicate that the instrument used to measure Digital Entrepreneurship and Millennial Career Commitment has good reliability and validity. Based on the values *cross loading*, each indicator has a higher loading value for its respective construct compared to other constructs, indicating that the indicator is valid in measuring the variables studied.

Composite Reliability, the values obtained were 0.936 for Digital Entrepreneurship and 0.878 for Millennial Career Commitment, both of which were above the threshold of 0.7, so it can be concluded that the constructs in this study have high reliability. *Cronbach's Alpha* The resulting t-test also showed good values, namely 0.915 for Digital Entrepreneurship and 0.793 for Millennial Career Commitment, which indicates that the instrument used in this study has a strong level of internal consistency. *Average Variance Extracted (AVE)* for each variable is above 0.5 (0.746 for Digital Entrepreneurship and 0.706 for Millennial Career Commitment), indicating that these variables have a good level of convergent validity, where the indicators are able to explain the variance of the constructs they measure quite high. The results confirm that the instrument used in this study is valid and reliable, so it can be used to accurately measure the influence of Millennial Career Commitment on Digital Entrepreneurship.

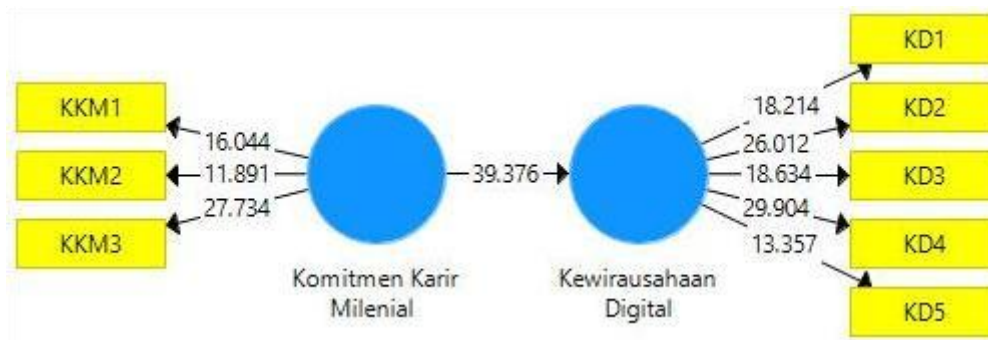


Figure 3.Bootstrapping Analysis Inner Model

	Original Sample (O)	Sample Mean (M)	Standard Deviation (STDEV)	T Statistics (O/STDEV)	P Values
Millennial Career Commitment -> Digital Entrepreneurship	0,901	0,904	0,023	39,376	0,000

The results of the SEM-PLS analysis show that Millennial Career Commitment has a very strong influence on Digital Entrepreneurship, with a value of *Original Sample*(O) is 0.901. The value *T-Statistic* of 39,376, far above the threshold of 1.96, and *P-Value* of 0.000, meaning this relationship is significant at the 99% confidence level. This indicates that the higher the career commitment of millennials, the greater their tendency to engage in digital entrepreneurship. *Standard Deviation* The STDEV of 0.023 indicates that the data has a high level of reliability in measuring the relationship between variables. Thus, this model supports the hypothesis that career commitment plays a significant role in encouraging millennial participation in digital-based entrepreneurship.

5. Conclusions

This study begins with the problem of low millennial participation in digital entrepreneurship, despite their extensive access to digital-based technology and business opportunities. One factor suspected to be influential is millennial career commitment, which reflects the extent to which they are oriented towards independent and sustainable career development. The results of the SEM-PLS analysis indicate that Millennial Career Commitment has a significant and strong influence on Digital Entrepreneurship, with a path coefficient value of 0.901 and a T-Statistic of 39.376, indicating a highly significant relationship (P-Value = 0.000). In addition, the indicators used in this study were proven valid and reliable in measuring the variables studied. The results show that the higher the millennial career commitment, the more likely they are to engage in digital entrepreneurship. Therefore, efforts are needed to increase the awareness and motivation of the millennial generation in building digital-based careers, such as through digital entrepreneurship training, mentorship, and access to a supportive digital business ecosystem.

Recommendation

The Indragiri Hilir Regency Government needs to conduct digital entrepreneurship training, simplify digital business regulations, and improve access to local infrastructure and e-commerce to support MSMEs. Millennials must hone their digital skills and build career commitment, while MSMEs need to adopt digital technology to increase their competitiveness.

Collaboration through digital entrepreneur communities also needs to be strengthened. Future research could add mediating/moderating variables such as technological support or government policies, and use longitudinal methods to understand the long-term development of digital entrepreneurship.

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