

# THE IMPACT OF ISLAMIC WORK ETHICS, ATTITUDE, AND HEDONIC VALUES ON THE INTENTION TO ESTABLISH SUSTAINABLE ENTREPRENEURSHIP AMONG MUSLIM STUDENTS IN JAVA

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## ABSTRACT

**Purpose:** This research examines Islamic Ethics Work, Hedonic Values, and Attitudes toward the Intention to Establish Sustainable Entrepreneurship.

**Design/Methodology/Approach:** The research method used is quantitative with a conclusive research design. The primary data used is obtained through a questionnaire distributed on the internet, with the criteria of Muslim students. A total of 210 respondents were gathered. This study employs the SEM-PLS data analysis model.

**Findings:** The results show that Islamic Ethics Work has a positive direct influence on Attitude, while Hedonic Values do not directly impact Attitude. Furthermore, the Islamic Ethics Work variable does not directly impact the Intention to Establish Sustainable Entrepreneurship. In contrast, Attitude has a positive influence, and Hedonic Values have a negative influence. Islamic Ethics Work positively influences the Intention to Establish Sustainable Entrepreneurship through Attitude. Meanwhile, Hedonic Values have little impact on the Intention to Establish Sustainable Entrepreneurship through Attitude.

**Research Implications:** The results of this study can have implications for developing entrepreneurship courses in higher education by incorporating Islamic Ethics Work to provide opportunities for students to adopt a sustainable entrepreneurship approach and reduce hedonism.

**Keywords:** Islamic Ethics Work; Hedonic Values; Attitude; Sustainable Entrepreneurship

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## ABSTRAK

**Tujuan Penelitian:** Penelitian ini mengkaji Etika Kerja Islam, Nilai-Nilai Hedonis, dan Sikap Terhadap Niat Membangun Kewirausahaan Berkelanjutan.

**Desain/Methodologi/Pendekatan Penelitian:** Metode penelitian yang digunakan adalah kuantitatif dengan desain penelitian konklusif. Data primer yang digunakan diperoleh melalui kuesioner yang disebar di internet, dengan kriteria pelajar muslim. Sebanyak 210 responden dikumpulkan. Penelitian ini menggunakan model analisis data SEM-PLS.

**Hasil Penelitian:** Hasil penelitian menunjukkan bahwa Etika Kerja Islam mempunyai pengaruh langsung terhadap Sikap, sedangkan Nilai Hedonis tidak berpengaruh langsung terhadap Sikap. Selanjutnya variabel Etika Kerja Islami tidak berpengaruh langsung terhadap Niat Mendirikan Kewirausahaan Berkelanjutan. Sebaliknya, Sikap mempunyai pengaruh positif, dan Nilai Hedonis mempunyai pengaruh negatif. Etika Kerja Islam berpengaruh positif terhadap Niat Membangun Kewirausahaan Berkelanjutan melalui Sikap. Sedangkan Nilai Hedonis mempunyai pengaruh yang kecil terhadap Niat Membangun Kewirausahaan Berkelanjutan melalui Sikap.

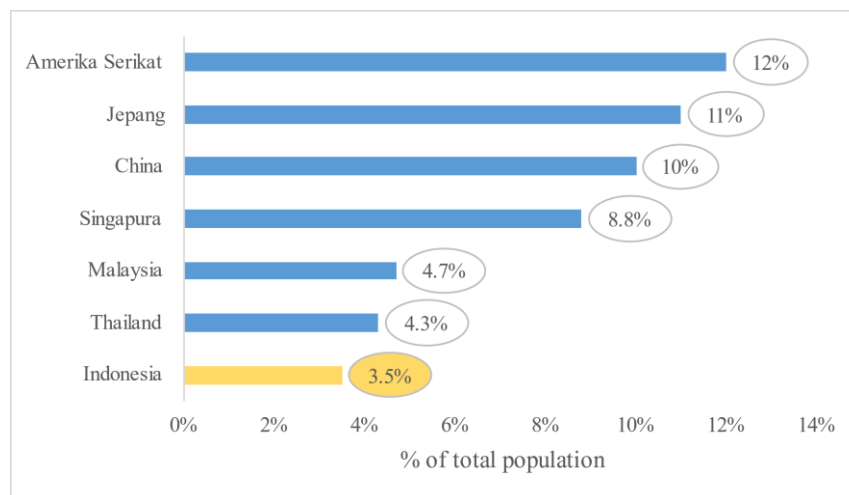
**Implikasi Hasil Penelitian:** Hasil penelitian ini dapat berimplikasi pada pengembangan mata kuliah kewirausahaan di perguruan tinggi dengan memasukkan Etika Karya Islam untuk memberikan kesempatan kepada mahasiswa untuk mengadopsi pendekatan kewirausahaan berkelanjutan dan mengurangi hedonisme.

**Kata Kunci:** Etika Kerja Islam; Nilai Hedonis; Sikap; Kewirausahaan Berkelanjutan

## INTRODUCTION

Look into the fact that Prophet Muhammad was a prosperous entrepreneur. His success in shaping entrepreneurship skills means that religion, as a grand design of his message, rules as a particularly significant instrument in entrepreneurship development (Kaukab & Adawiyah, 2020). However, as a country with a majority Muslim population, only 3,47% of Indonesia's total population are entrepreneurs. Malaysia and Thailand have surpassed 4%, and Singapore has reached 8,76% (Haffiyan, 2022). Meanwhile, according to the Global Entrepreneurship Monitor, Indonesia's National Entrepreneurship Context Index in 2022 stands at 5,8 out of 10. Although Indonesia ranks 9th out of 51 countries with the best entrepreneurial environment, it still lags behind India and Saudi Arabia, with indexes of 6,1 and 6,3, respectively.

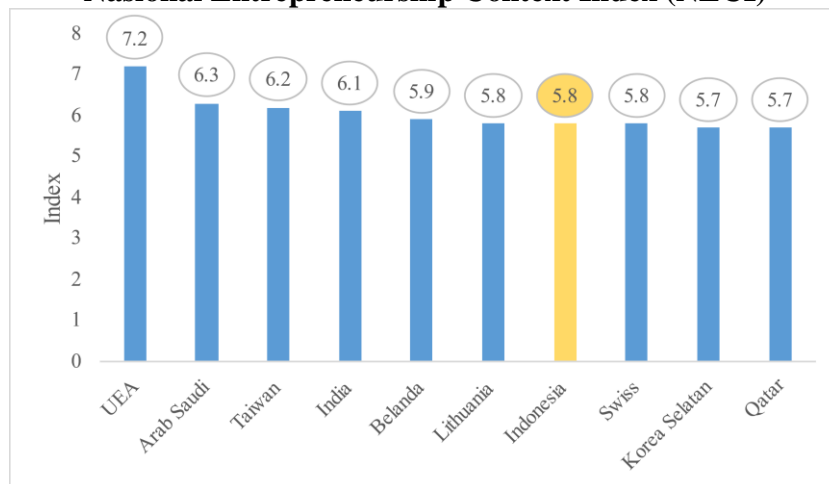
**Figure 1.**  
**Total Entrepreneurship per Total Population**



Source: Kemenkop UKM in Haffiyan (2022)

A supportive environment for entrepreneurial activities is crucial in constructing the intention to establish sustainable entrepreneurship. A supportive environment also enhances Entrepreneurial Self-Efficacy (ESE), subsequently improving an individual's entrepreneurship quality (Nguyen, 2020).

**Figure 2.**  
**Nasional Entrepreneurship Context Index (NECI)**



Source: Global Entrepreneurship Monitor (2022)

In The Theory of Economic Development, Joseph Schumpeter stated that entrepreneurship is essential as it catalyses economic development. Entrepreneurial activities increase transactions of goods and services in the area, leading to increased local tax revenue. Entrepreneurship, when driven by a supportive environment, encourages entrepreneurs to innovate. These innovations expand their businesses, creating new job opportunities. Therefore, the ability of citizens to become entrepreneurs, along with a supportive environment, is necessary for raising an intention to establish sustainable entrepreneurship.

An Islamic work ethic is required to pursue the intention to establish sustainable entrepreneurship based on Sharia, as exemplified by Prophet Muhammad. Work ethics such as discipline and commitment are essential for work and establishing a connection between entrepreneurship and taqwa (Ali & Al-Owaidan, 2008). Bin Khalid found that Islamic work ethic significantly impacted entrepreneurial performance among Micro, Small, and Medium Enterprises (MSMEs) in Selangor, Malaysia (S., 2019). After an Islamic work ethic, one must have a good attitude. Based on research in Ethiopia, attitudes such as Entrepreneurial Self-Efficacy (ESE) and building a supportive social network can accomplish entrepreneurial tasks (Hailemariam, 2017). Furthermore, individuals must avoid hedonistic behaviour. Individuals who embrace hedonism seek pleasure without considering the consequences (Yilmaz, 2013). A hedonic lifestyle shapes impulsive consumer behaviour, which contradicts certain entrepreneurial attitudes.

Plenty of well-known entrepreneurs got an early start. The ambition of young entrepreneurs shares certain traits that contribute to their success. A research paper from the Copenhagen Business School finds that young entrepreneurs can learn more and run new firms that are even more productive than those run by older entrepreneurs (Shaw & Sørensen, 2022). These are high-value ethics for entrepreneurs. The motivation of young, incredibly educated entrepreneurs to achieve self-reliance by becoming job providers and working independently is precious for their exceptional efforts in establishing the intention of sustainable entrepreneurship in developing areas (Tunio et al., 2021).

On the other hand, youth tend to embrace hedonism when faced with trending items. Although they may not be genuinely interested, envy drives them to pursue these items to gain self-pride (Untara & Ahnjong, 2022). The inability to control personal emotions reduces management skills, where time and human management are crucial for entrepreneurs. That's why the influence of Islamic work ethic, attitude, and hedonistic behaviour on Muslim students' entrepreneurship is interesting to study.

Unfortunately, there are only a few studies in Indonesia about hedonistic behaviour towards entrepreneurship. This is quite surprising, considering hedonism contradicts the Islamic work ethic, which is essential in encouraging entrepreneurial performance to establish sustainable entrepreneurship. Hence, from a psychological view, hedonism could be a fit psychology as an entrepreneur for motivating himself to obtain goals (Hamzah et al., 2014). The research question is “Do Islamic work ethics, attitudes, and hedonism affect the intention of sustainable entrepreneurship among Muslim students?”. The purpose of this study is to investigate whether there is a relationship between (1) Islamic work ethics, (2) attitude, and (3) hedonistic behaviour with entrepreneurship among Muslim students. This study will focus on Muslim students in Java because of the ease of establishing a business and its role as a development centre for Indonesia’s economy. This might also explain whether hedonism affects positive or negative entrepreneurship skills.

## **LITERATURE REVIEW**

### **Islamic Work Ethic**

As denominated by Beekun & Badawi (2005), Islamic work ethics encapsulates values that contribute to forming an individual worker's character. It operates as a subset of morality, delineating the human relationship with Allah the Creator (*mu’amalah ma’al khaliq*) and with other living entities (*mu’amalah ma’al khalq*) (Graafland et al., 2006). This ethical framework, articulated through shariah, comprising Al-Qur’an, As-Sunnah, Ijma, and Qiyas (Triyuwono, 2000), is intrinsically oriented towards enriching life by upholding business values and motives (Ali & Weir, 2005).

Derived from the teachings of the Qur'an and the words of Prophet Muhammad, Islamic work ethics entail a set of moral principles governing and directing the behaviours and attitudes of employees within their professional settings (Ali, 1992; Mohammad et al., 2016). The conceptual foundation of Islamic work ethics finds its roots in Al-Qur’an (Ali & Weir, 2005) and Prophet Muhammad’s assertion that strenuous effort leads to the forgiveness of sins, emphasising the superior quality of sustenance derived from one's labour.

In a broader context, Islam perceives work not merely as a secular duty but as a religious obligation, demonstrating obedience to Allah (Kamaluddin & Manan, 2010). This perspective frames work as a dedicated and sincere endeavour encouraging individuals to seek benefits for society and themselves (Gibbs, P., Ilkan & Pouloukas, 2007). Emphasising industriousness (Islam et al., 2020; Khan et al., 2015), Islam discourages unproductive behaviours and the wasteful use of resources. The foundational principles of Islamic work ethics revolve around four key concepts: effort, responsible behaviour, competition, and transparency, signifying that business development and application must adhere to ethical principles.

Aligning with Josephson's assertion, the realisation of ten ethical values—honesty, promise-keeping, fairness, integrity, fidelity, accountability, respect for others, care for others, the pursuit of excellence, and responsible citizenship—is imperative in the workplace within the framework of Islamic work ethics. As Islamic work ethics advocate for these values, they become crucial in shaping the intention to establish sustainable entrepreneurship. Integrating these ethical principles serves as a foundation for ethical business practices, aligning with the broader goals of sustainability, responsible citizenship, and care for others. Therefore, understanding the relationship between Islamic work ethics and the intention to establish sustainable entrepreneurship becomes pivotal for elucidating how moral and ethical frameworks can influence entrepreneurial aspirations grounded in sustainability.

### **Attitude**

Attitude, a psychological concept encompassing positive or negative evaluations of specific objects or actions, is crucial in shaping individual behaviours, including within entrepreneurship (Cacciotti & Hayton, 2015). According to Ajzen, attitude comprises evaluations of objects that can manifest in positive or negative dimensions. In the context of the intention to establish sustainable entrepreneurship, attitudes toward sustainability become a significant factor. Attitude toward sustainability refers to an individual's assessment and belief in sustainability as an integral aspect of entrepreneurship. As a cognitive and evaluative dimension, attitude toward sustainability reflects an individual. In the framework of the intention to establish sustainable entrepreneurship, a positive attitude toward sustainability is considered a strong driver for realising such goals (Blok et al., 2015).

In the behavioural psychology literature, there is consistent support for a positive relationship between attitude and the intention to perform a specific action. In the context of the intention to establish sustainable entrepreneurship, an individual's attitude toward sustainability can be a critical predictor of their desire to engage in environmentally and socially responsible business practices (Ng & Burke, 2010). In the context of the intention to establish sustainable entrepreneurship, an individual's attitude toward sustainability can be a critical predictor of their desire to engage in environmentally and socially responsible business practices (Ng & Burke, 2010). Previous research indicates that attitudes toward sustainability can significantly contribute to an individual's intention to initiate or develop ventures with sustainable orientations. Entrepreneurs with a positive attitude toward sustainable business practices are more likely to allocate their financial and intellectual resources to build and grow businesses that consider their impact on the environment and society (Kraus et al., 2018).

### **Hedonic Value**

Hedonic values, encompassing pleasure, enjoyment, and emotional gratification derived from specific activities or choices, have gained significance in psychological and consumer behaviour literature (Tasci & Ko, 2016). Applied to entrepreneurship, hedonic values represent the emotional and experiential aspects of engaging in business activities. Understanding how these values influence the intention to establish sustainable entrepreneurship is crucial for uncovering motivational drivers in the entrepreneurial process (Ruskin et al., 2016). In entrepreneurship, the pursuit of pleasure and enjoyment is often intertwined with the decision-making process (Voramontri & Klieb, 2019). Individuals motivated by hedonic values in entrepreneurship are more likely to derive satisfaction and pleasure from their ventures. In the sustainable entrepreneurship context, hedonic values may play a pivotal role in shaping attitudes toward environmentally and socially responsible business practices. Entrepreneurs who find joy and fulfilment in sustainable initiatives may exhibit a stronger intention to establish businesses focusing on long-term ecological and social benefits.

The connection between hedonic values and the intention to establish sustainable entrepreneurship lies in the emotional gratification of engaging in environmentally conscious and socially responsible business activities (Yasir et al., 2021). Previous research indicates that individuals driven by hedonic values are more inclined to seek meaningful and fulfilling experiences. Hedonic values may contribute to the emotional engagement of entrepreneurs in sustainable initiatives. Emotionally engaged entrepreneurs are likely to develop a more substantial commitment to sustainable practices, as the positive emotional experiences associated with such endeavours reinforce their intention to establish businesses with a long-term commitment to environmental and social well-being (Ryff, 2019).

### **Sustainable Entrepreneurship**

Sustainable entrepreneurship involves entrepreneurs striving for the triple bottom line to harmonise economic, environmental, and social considerations (Hooi et al., 2016). Encapsulated in the triple bottom line concept, this framework integrates three pivotal variables: environmental, social, and economic. The environmental variable encompasses issues related to natural resources, water and air quality, energy conservation, and land use. The social variable extends to considerations involving communities, education, equality, social resources, health, well-being, and overall quality of life. Simultaneously, the economic variable is intricately tied to financial aspects like the bottom line and cash flow.

Shepherd & Patzelt (2011) further elucidate sustainable entrepreneurship as a dedicated focus on environmental preservation and improving life and society. Within this paradigm, entrepreneurs actively seek opportunities to introduce future products, processes, and services that generate economic and non-economic benefits for individuals and communities. The essence of sustainable entrepreneurship lies in the deliberate alignment of economic, social, and environmental objectives, addressing climate and social disruptions arising from corporate activities (IPCC, 2014)

Consequently, sustainable entrepreneurship is increasingly recognised as a vital link between business endeavours and pursuing sustainable development goals, as outlined by the United Nations (UN) (Hall et al., 2010). This recognition positions sustainable entrepreneurs as instrumental in achieving broader societal objectives. However, despite the acknowledged importance of sustainable entrepreneurs in advancing sustainable development, there still needs to be a notable gap in understanding the triggers of sustainable entrepreneurship in individuals (St-Jean & Labelle, 2018).

### **Entrepreneurial Intentions**

In entrepreneurial endeavours, the intention process, as emphasised by Wu & Wu (2008), stands as a critical precursor to any action, serving as the initial step that precedes the initiation of behaviour. This concept holds particular importance in entrepreneurship, where the understanding of entrepreneurial intention becomes pivotal, as it provides insights into the aspirations and motivations of individuals wishing to embark on a business venture (Krueger et al., 2000).

Religion, identified as a significant factor by Abdullahi & Suleiman (2015), exerts a noteworthy influence on entrepreneurial intentions. This influence can manifest in two distinct ways: indirectly through shaping individual values (Dana, 2009; Dodd & Gotsis, 2007) or more directly through the practice of religious rituals and beliefs (Sequeira et al., 2016). Within the context of the Muslim community, the impact of religion on entrepreneurial intentions is intricately connected to values and religious practices. These elements play a pivotal role in shaping attitudes toward entrepreneurship, subsequently influencing the individual's intention to engage in entrepreneurial activities (Fayolle & Liñán, 2014).

The interplay between religion, values, and entrepreneurial intentions underscores the complexity of the decision-making process within the entrepreneurial context. It suggests that individuals within the Muslim community may be guided by deeply ingrained values and religious practices when contemplating and formulating their intentions to pursue entrepreneurial ventures. This intricate relationship between religious influences, personal values, and entrepreneurial intentions highlights the multifaceted nature of the entrepreneurial mindset within specific cultural and religious contexts.

## RESEARCH METHODS

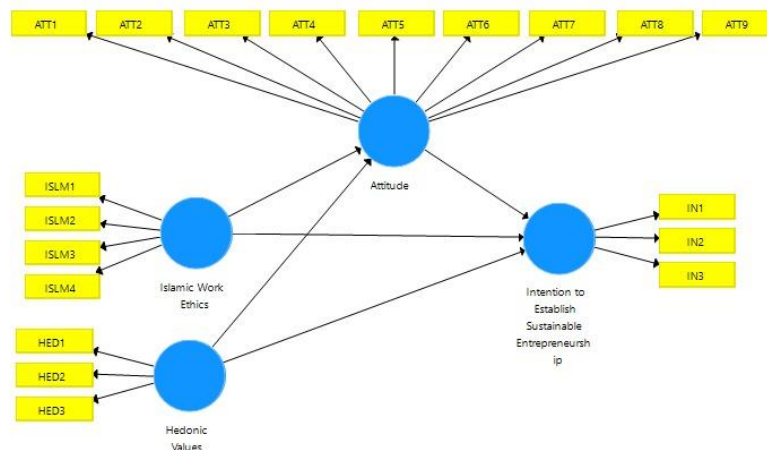
### Analysis Method

The research employed a descriptive quantitative approach with a conclusive research design, which tests specific hypotheses and elucidates the relationships between variables through a formal and structured research process (Malhotra, 2010). It utilised a cross-sectional study design, providing a snapshot of conditions at a single point in time (Cooper & Schindler, 2017). Primary data were collected through an online survey using structured questionnaires with closed-ended questions. The survey employed a 5-point Likert scale, ranging from (1) indicating strongly disagree to (5) indicating strongly agree. The population for the sample selection consisted of active undergraduate students in economics and business faculties who follow the Islamic faith on Java Island. This choice aimed to include individuals with pre-existing intentions for sustainable entrepreneurship and those without such intentions, following the rationale that students are susceptible to change and allowing for a comprehensive study (Krueger et al., 2000). Convenience sampling, a non-probability sampling method, was employed to facilitate the research process by selecting individuals willing to participate as respondents (Cooper & Schindler, 2017).

The study focused on active undergraduate students in economics and business faculties who follow Islam on Java Island due to their exposure to entrepreneurship education, entrepreneurial activities, and internalisation of Islamic values. Java Island was chosen as the research area due to its economic significance, urbanisation trends, population density, and industrial development affecting environmental sustainability. Data analysis utilised the SEM-PLS (Structural Equation Modelling-Partial Least Square) model through the Smart PLS 3.0 software. The analysis involved an outer model to identify relationships between variables and an inner model to identify relationships between indicators and their latent variables. Criteria for the outer model included consistency, internal reliability, convergent validity, and discriminant validity. The inner model considerations encompassed multicollinearity tests, path coefficients, mediation tests, and R<sup>2</sup> values.

### Research Framework

**Figure 3.**  
**Research Framework**



H1: Islamic Ethics Work has a positive effect on Attitude

H2: Hedonic Values have a negative influence on Attitude

H3: Attitude has a positive influence on Intention to Establish Sustainable Entrepreneurship

H4: Islamic Work Ethics has a positive influence on Intention to Establish Sustainable Entrepreneurship

- H5: Hedonic Values have a positive influence on Intention to Establish Sustainable Entrepreneurship  
 H6: Islamic Ethics Work has a positive influence on Intention to Establish Sustainable Entrepreneurship through Attitude  
 H7: Hedonic Values have a negative influence on Intention to Establish Sustainable Entrepreneurship through Attitude

**RESULTS AND DISCUSSION**

**Results**

**Characteristics of Respondents**

This study utilised a sample of 210 participants distributed among Muslim students in Java Island. Male respondents numbered 82 individuals (39%), while female respondents totalled 128 individuals (61%). The majority of respondents in this study are female, although the distribution is relatively balanced. Regarding age, most respondents are 20, comprising 76 individuals (36.2%), followed by 21-year-olds with 63 individuals (30%). Meanwhile, the remaining respondents are aged  $\leq 18$  years (3.8%), 19 years old (11.9%), 22 years old (11.9%), 23 years old (3.3%), and  $\geq 24$  years old (2.9%). Based on their income, most respondents have an income of  $<Rp1,000,000$ , amounting to 183 individuals (87.1%). Furthermore, respondents with an income of  $Rp1,000,000 - Rp2,500,000$  are 19 individuals (9%). Further details on the characteristics of respondents can be seen in Table 1.

**Table 1.**  
**Characteristics of Respondents**

| <b>Characteristics of Respondents</b> | <b>Obs</b> | <b>Percentage (%)</b> |
|---------------------------------------|------------|-----------------------|
| <b>Gender</b>                         | 210        |                       |
| Male                                  | 82         | 39%                   |
| Female                                | 128        | 61%                   |
| <b>Age</b>                            | 210        |                       |
| $\leq 18$ Years                       | 8          | 3.8%                  |
| 19 Years                              | 25         | 11.9%                 |
| 20 Years                              | 76         | 36.2%                 |
| 21 Years                              | 63         | 30%                   |
| 22 Years                              | 25         | 11.9%                 |
| 23 Years                              | 7          | 3.3%                  |
| $\geq 24$ Years                       | 6          | 2.9%                  |
| <b>Monthly Income</b>                 | 210        |                       |
| $<Rp1.000.000$                        | 183        | 87.1%                 |
| $Rp1.000.000 - Rp2.500.000$           | 19         | 9%                    |
| $Rp2.500.000 - Rp 5.000.000$          | 5          | 2.4%                  |
| $>Rp5.000.000$                        | 3          | 1.4%                  |

Source: Author’s Processed

**Measurement Model (Outer Model)**

The measurement model is employed to conduct model testing through convergent validity, discriminant validity, and composite reliability tests. Convergent validity is determined by the validity of loading factors, with a loading factor considered valid if it is  $\geq 0.6$  (Ghozali & Latan, 2015). Convergent validity can also be assessed using the Average Variance Extracted (AVE), which is acceptable if the AVE value is  $\geq 0.5$  (Hair Jr et al., 2014; Henseler et al., 2015). Furthermore, the discriminant validity test employs the Fornell-Larcker Criterion,



comparing the square root of AVE with the correlations among latent constructs. If the square root of AVE is higher than the inter-construct correlations, then discriminant validity is satisfied (Fornell & Lacker, 1981; Hair Jr et al., 2014). Additionally, reliability is measured through composite reliability, which is deemed reliable when the composite reliability value is  $\geq 0.7$  (Ghozali, 2014).

**Table 2.**  
**convergent validity and construct reliability**

| <b>Construct</b>                                    | <b>Code</b> | <b>Factor Loadings</b> | <b>AVE</b> | <b>Composite Reliability</b> |
|---|-------------|------------------------|------------|------------------------------|
| Islamic Work Ethics                                 | ISLM1       | 0.772                  | 0.645      | 0.879                        |
|   | ISLM2       | 0.826                  |            |                              |
|   | ISLM3       | 0.780                  |            |                              |
|   | ISLM4       | 0.831                  |            |                              |
| Hedonic Values                                      | HED1        | 0.762                  | 0.671      | 0.859                        |
|   | HED2        | 0.883                  |            |                              |
|   | HED3        | 0.808                  |            |                              |
| Attitude  | ATT1        | 0.645                  | 0.542      | 0.914                        |
|   | ATT2        | 0.756                  |            |                              |
|   | ATT3        | 0.758                  |            |                              |
|   | ATT4        | 0.781                  |            |                              |
|   | ATT5        | 0.746                  |            |                              |
|   | ATT6        | 0.808                  |            |                              |
|   | ATT7        | 0.740                  |            |                              |
|   | ATT8        | 0.674                  |            |                              |
|   | ATT9        | 0.701                  |            |                              |
| Intention to Establish Sustainable Entrepreneurship | IN1         | 0.855                  | 0.757      | 0.904                        |
|   | IN2         | 0.888                  |            |                              |
|   | IN3         | 0.868                  |            |                              |

Source: Author's Process

Based on Table 2, all constructs in this study have loading factor values  $\geq 0.6$  and AVE values  $\geq 0.5$ , indicating that all indicators meet the requirements for convergent validity testing. Furthermore, all variables in this study have composite reliability values  $\geq 0.7$ . Therefore, it can be concluded that all variables are considered reliable.

**Table 3.**  
**Discriminant Validity**

|   | <b>Attitude</b> | <b>Hedonic Values</b> | <b>Intention to Establish Sustainable Entrepreneurship</b> | <b>Islamic Work Ethics</b> |
|---|-----------------|-----------------------|--|----------------------------|
| Attitude  | 0.736           |                       |  |                            |
| Hedonic Values                                      | 0.131           | 0.819                 |  |                            |
| Intention to Establish Sustainable Entrepreneurship | 0.635           | -0.046                | 0.870  |                            |

|                |      |       |       |       |       |
|----------------|------|-------|-------|-------|-------|
| Islamic Ethics | Work | 0.282 | 0.002 | 0.238 | 0.803 |
|----------------|------|-------|-------|-------|-------|

Source: Author's Process

Table 3 indicates that the square root of AVE has a higher value than the correlations among constructs. Therefore, each construct has fulfilled the requirements for discriminant validity.

**Structural Model (Inner Model)**

The structural model aims to illustrate the relationships between the constructed constructs (Hair et al., 2016). In the structural model, hypothesis tests examine their significance through T statistics or P values and determination coefficients (R Square).

**Hypothesis Testing**

Two criteria are used for hypothesis testing: path coefficients to observe positive (direct) or negative (inverse) influences and T statistics or P values. A hypothesis is accepted if the calculated t-value (T statistic) > the critical t-value, which is 1.96 at a 5% significance level, and the P value is ≤ 0.05 (Hair et al., 2016). More comprehensive results of the hypothesis testing are presented in Table 4.

**Table 4.  
Hypothesis Testing**

| Hypothesis             | Path Coefficient  | Original sample (O) | T Statistics | P Values | Conclusion |
|------------------------|---|---------------------|--------------|----------|------------|
| <b>Direct Effect</b>   |   |                     |              |          |            |
| H1                     | Islamic Ethics Work → Attitude  | 0.281               | 4.772        | 0.000    | Accepted   |
| H2                     | Hedonic Values → Attitude   | 0.131               | 1.468        | 0.071    | Rejected   |
| H3                     | Attitude → Intention to Establish Sustainable Entrepreneurship            | 0.636               | 9.829        | 0.000    | Accepted   |
| H4                     | Islamic Ethics Work → Intention to Establish Sustainable Entrepreneurship | 0.059               | 0.863        | 0.194    | Rejected   |
| H5                     | Hedonic Values → Intention to Establish Sustainable Entrepreneurship      | -0.130              | 1.964        | 0.025    | Accepted   |
| <b>Indirect Effect</b> |   |                     |              |          |            |
| H6                     | Islamic Ethics Work → Attitude → Intention to Establish Sustainable       | 0.179               | 3.952        | 0.000    | Accepted   |

| Entrepreneurship |  |       |       |       |          |
|------------------|--|-------|-------|-------|----------|
| H7               | Hedonic Values →<br>Attitude →<br>Intention to<br>Establish<br>Sustainable<br>Entrepreneurship | 0.083 | 1.451 | 0.075 | Rejected |

Source: Author's Process

The results of hypothesis testing indicate a significant direct influence of Islamic Ethics Work on Attitude, as evidenced by a t-statistic (4.772) > t-table (1.96) and a P value of  $0.000 \leq 0.05$ . The coefficient value is also positive at 0.281, meaning that as Islamic Ethics Work increases, so does Attitude. Therefore, it can be concluded that H1 is accepted.

The estimated coefficient for Hedonic Values on Attitude is 0.131 (positive). However, Hedonic Values do not have a significant direct impact on Attitude, as the t-statistic value (1.468) < t-table (1.96), and the P value is  $0.071 > 0.05$ . Thus, it can be concluded that H2 is rejected.

The third hypothesis indicates that Attitude significantly influences Intention to Establish Sustainable Entrepreneurship, as evidenced by the t-statistic (9.829) > t-table (1.96) and a P value of  $0.000 \leq 0.05$ . The coefficient value for Attitude on Intention to Establish Sustainable Entrepreneurship is 0.636 (positive), meaning that as Attitude increases, the intention to establish sustainable entrepreneurship also increases. Therefore, it can be concluded that H3 is accepted.

The estimated coefficient for Islamic Work Ethics on Intention to Establish Sustainable Entrepreneurship is 0.059 (positive). However, Islamic Work Ethics does not have a significant direct impact on the Intention to Establish Sustainable Entrepreneurship, as the t-statistic value (0.863) < t-table (1.96), and the P value is  $0.194 > 0.05$ . Thus, it can be concluded that H4 is rejected.

Hedonic Values significantly negatively impact the Intention to Establish Sustainable Entrepreneurship with a path coefficient of -0.130. Moreover, the t-statistic value (1.964) > t-table (1.96), and the P value is  $0.025 < 0.05$ , indicating that higher Hedonic Values will decrease the Intention to Establish Sustainable Entrepreneurship. Therefore, it can be concluded that H5 is accepted.

Islamic Ethics Work significantly positively impacts the Intention to Establish Sustainable Entrepreneurship through Attitude, with a path coefficient of 0.179. The t-statistic value (3.952) > t-table (1.96), and the P value is  $0.000 < 0.05$ , leading to the acceptance of H6.

The indirect estimation of Hedonic Values on Intention to Establish Sustainable Entrepreneurship through Attitude is 0.083 (positive). However, it does not have a significant impact, as indicated by the t-statistic value (1.451) < t-table (1.96), and the P value is  $0.075 < 0.05$ . Therefore, H7 is rejected.

### Coefficient of Determination

The coefficient of determination explains the predictive strength of the research model. It illustrates the influence of exogenous latent variables on endogenous latent variables (Hair et al., 2016). According to Chin (1998), there are three classifications of R-square: an R-square value of 0.67 means substantial (strong), 0.33 means moderate (moderate), and 0.19 indicates weak.

**Table 5.**  
**Coefficient of Determination**

| <b>Variable</b>                                     | <b>R Square</b> | <b>R Square Adjusted</b> |
|---|-----------------|--------------------------|
| Attitude  | 0.096           | 0.088                    |
| Intention to Establish Sustainable Entrepreneurship | 0.424           | 0.415                    |

Source: Author's Process

Based on Table 5, it is evident that the adjusted R-squared value for the variable Attitude is 0.096, indicating that Islamic Ethics Work and Hedonic Values can explain Attitude by 9.6%, falling into the weak category. Furthermore, the adjusted R-squared value for Intention to Establish Sustainable Entrepreneurship is 0.415, meaning that Islamic Ethics Work, Hedonic Values, and Attitude collectively explain Intention to Establish Sustainable Entrepreneurship by 41.5%, categorised as moderate.

### Discussion

Islamic Ethics Work has a significant favourable influence on Attitude. Individuals who adhere to religious values tend to impact various aspects of their lives, including economic, social, and political activities (Gursoy et al., 2017). More specifically, Islamic Ethics Work encompasses Islamic values applied to work. As Noer (2022) stated, Islamic Ethics Work is a mindset orientation that works to improve oneself and demonstrate one's humanity. Similar to the attitude in sustainable entrepreneurship that focuses more on environmental, social, and governance (ESG) aspects, Islamic Ethics Work has a high orientation towards righteous deeds, especially in contributing to improving work. Therefore, Islamic Ethics Work can influence Attitudes to establish Sustainable Entrepreneurship. Consequently, the higher the Islamic Ethics Work, the higher the Attitude to establish sustainable entrepreneurship.

Hedonic Values do not have a significant influence on Attitude. Hedonic values make pleasure-filled lifestyles their life goal (Kunto, 1999). Hedonistic values, which focus on self-indulgence for happiness and pleasure, tend not to foster an attitude to establish sustainable entrepreneurship. These values are inversely related to the attitude required for sustainable entrepreneurship, emphasising enhancing environmental, social, and governance (ESG) values. Individuals adhering to hedonistic values are inclined to have a spontaneous attitude in assessing issues, as indicated in Celinedia (2020), which suggests that individuals with hedonistic values are prone to impulsive purchases due to the spontaneous attitude that arises to gratify themselves. Therefore, hedonistic values do not significantly influence the attitude toward establishing sustainable entrepreneurship.

Attitude has a significant influence on the Intention to Establish Sustainable Entrepreneurship. The findings of this study align with several previous research studies that indicate the influence of Attitude on entrepreneurial intentions (Amofah & Saladrigues, 2022; Hansel & Puspitowati, 2020; Sakinah et al., 2019). The Theory of Planned Behaviour suggests that one of the factors influencing intention is the attitude towards behaviour (Ajzen, 1991). Therefore, the higher the attitude toward establishing sustainable entrepreneurship, the higher the intention to establish sustainable entrepreneurship.

Islamic Ethics Work does not influence the Intention to Establish Sustainable Entrepreneurship. Individuals who adhere to Islamic Ethics Work to establish sustainable entrepreneurship. However, these individuals intend to establish sustainable entrepreneurship through their attitude. As stated in Table 4, Hypothesis 7 suggests that Islamic Ethics Work can influence the intention to establish sustainable entrepreneurship through attitude. Therefore, Islamic Ethics Work can indirectly affect the Intention to Establish Sustainable Entrepreneurship through Attitude.

Hedonic Values influence the intention to establish sustainable entrepreneurship, but their effect is negative. Therefore, the higher the hedonic values in individuals, the lower their intention to establish sustainable entrepreneurship. Individuals may still be reluctant to establish sustainable entrepreneurship because it requires extra effort to become sustainable (Thelken & de Jong, 2020), such as complying with stricter regulations or meeting sustainability standards (Pinkse & Groot, 2015). Furthermore, in Table 4, Hypothesis 6 states that if hedonic values influence attitude first, it does not affect the intention to establish sustainable entrepreneurship.

## CONCLUSION

In conclusion, this scholarly article has delved into the intricate dynamics surrounding the impact of Islamic Work Ethics, Attitudes, and Hedonic Values on the Intention to Establish Sustainable Entrepreneurship among Muslim students in Java. The findings highlight the robust positive influence of Islamic Work Ethics on fostering a favourable Attitude towards sustainable entrepreneurship, affirming the profound impact of religious values on various aspects of individuals' lives, including economic endeavours. Conversely, the study reveals a limited influence of Hedonic Values on shaping a positive Attitude, emphasising that a pleasure-centric lifestyle does not inherently align with the values requisite for sustainable entrepreneurship. Crucially, the research underscores the pivotal role of attitude as a significant predictor of the intention to establish sustainable entrepreneurship, which aligns with established theories such as the theory of planned behaviour. Moreover, while Islamic Ethics Work does not directly impact the intention, it exerts an indirect influence by shaping a positive Attitude, emphasising the intricate interplay between ethical frameworks and entrepreneurial intentions. This study contributes valuable insights into the motivational drivers behind sustainable entrepreneurship within Islamic principles, shedding light on factors that can inform strategies for fostering environmentally and socially responsible business practices among Muslim students in Java and potentially beyond.

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