CONTRIBUTING FACTORS TO STUDENTS' READINESS IN ENTREPRENEURSHIP

[1]NORSAMSINAR SAMSUDIN, [2]NORASIBAH AB JALIL, [3]RUSLIZA YAHAYA, [4]HARIYATY AB WAHID, [5]JESSNOR ELMY MAT JIZAT

[1,2,3,4,5]Faculty of Management and Economics,
Universiti Pendidikan Sultan Idris, Tanjong Malim, Perak
E-mail: [1]norsamsinar@fpe.upsi.edu.my, [2]norasibah@fpe.upsi.edu.my, [3]rusliza@fpe.upsi.edu.my,
[4]hariyaty@fpe.upsi.edu.my, [5]jessnor@fpe.upsi.edu.my

Abstract— This study aims to identify factors that affect the readiness of the university students to get involve in entrepreneurship. This study was conducted at one of the public university in Malaysia. 150 of final year students were involved in this survey study. The level of students' readiness, their motivation level and attitude towards entrepreneurship were measured. The results of the analysis revealed that students had a moderate level of readiness to start a business. Their motivation level and attitude to become an entrepreneur also at the moderate level. The finding also showed a significant positive correlation between motivation level, attitude, and readiness to participate in entrepreneurship.

Index Terms— Students' Readiness, Students' Motivation, Students' Attitude Toward Entrepreneurship.

I. INTRODUCTION

Malaysia is a developing country with emerging of the economic, educational, socio-cultural, and infrastructure sectors. Business and entrepreneurship are the most important economic sectors contributing to the development of the national economy. The current economic situation urge Malaysians to involve in entrepreneurship in order to have better quality of life in terms of financially and stability (Nor Fadhilah & Halimah, 2010). Entrepreneurship is one of the opportunities for Malaysian to create their own job as well as provide job to others. However, most of young Malaysians preferred to venture in private sectors or choose to be a government servant (Noraini & Norisham, 2011). The data from the Department of Statistics revealed that the percentage of entrepreneurs in Malaysia where about 26 percent of the total population in 2008 (Department of Statistics, Malaysia 2009). In addition, Ismail (2013) reported that In June 2013, 56% (210,263) of unemployment in Malaysia were university graduates.

Malaysia Education Blueprint (Higher Education) is a strategic document prepared by the Malaysia Ministry of Education, which sets direction of higher education for a period of 11 years from 2015 until 2025. The blueprint aims to elevate the higher education system of the country in order to produce world class graduates. It consists of 10 shifts that will spur the excellence of Malaysia higher education system. The number one shift that has been outlined is focus on producing holistic, entrepreneurial, and balanced graduates. The aims of this first shift is to instill an entrepreneurial mindset throughout Malaysia's higher education system and create a system that produces graduates with a drive to create jobs, rather than to only seek jobs (MOE, 2015).

Various forms of entrepreneurship programs have been organized in higher education as efforts to achieve the government's objectives. The MOE has planned Students Entrepreneurship Enculturation program that consists of four main activities. The first is a module of entrepreneurship, a two credit hours course that is compulsory for semester one students. The second activity is the five days Basic Entrepreneurship Course for final year students. The third activity is Students Entrepreneur Development Program that aims to encourage students to do business activities in campus, set up a company, visits industry, and organized seminars. The fourth activity is the Enactus program which aims to encourage students to carry out social entrepreneurship activities to enhance social and economic status of the local community (Wan Mohd Zaifurin & Noorun Nashriah, 2009).

In other research, Norfadhilah & Halimah (2010) revealed that the internal pull factors such as exposure of the entrepreneurship subjects, entrepreneurship courses ever attended, and past experience in the entrepreneurial activities organized by the university have less influenced on students' decision to choose entrepreneurship as a career. However, entrepreneurship education was found positively influence students' awareness, changing their attitudes and perceptions towards entrepreneurship (Gerba, 2012; Ura Pin, Norasmah & Jamil, 2009). From another perspective, Mohd Khata and Ahmad Firdaus (2012) suggested that attitude, inclination, interest, and readiness are among the most factors that influence students to choose entrepreneurship as a career.

Factors that influence the involvement of a person in entrepreneurship can be divided into internal and external factors (Gomezelj, 2013; Ishak, Khairunnisa, Zaimah and Shukri, 2011). The internal factors are the characteristic inherent in the self-entrepreneur, interests, skills, knowledge, attitude and personality (Gomezelj, 2013; Ishak et al., 2011; Mohd Hassan, 2007). On the other hand, external factors refer to environmental influences such as the structure of society, culture, economy situation, government policy, family practice, the business environment, and support from the government institutions, schools, and higher learning institutions (Gomezelj, 2013; Ishak et al, 2011). In general, this study was conducted to examine the contributing factors to students' readiness in entrepreneurship. Specifically, the objectives of this study is to determine the level of students' motivation, their attitude, and level of readiness to get involve in business. Further, the relationship between students' motivation, attitude, and readiness were investigated.

II. LITERATURE REVIEW

Various plans have been implemented to alleviate poverty and increase the interest of Malaysians to venture into entrepreneurship. Research on entrepreneurship intention has been extensively conducted and it continues interesting to researchers because entrepreneurship is upmost important factor to the development for many countries (Nabi & Holden, 2008; Ismail, Khalid, Othman, Jusoff, Abdul Rahman, Kassim & Shekh Zain, 2009). However, most of the studies were conducted in non-Malaysian setting (Zahariah, Amalina & Erlane, 2010).

Entrepreneurial intent was defined as intent to own one's own business or intent to create a venture (Iqbal, Melhem & Kokash, 2012). It comprises inner guts, feeling to stand on his/her own, and be independent (Zahariah et al., 2010). In other research, Obschonka, Silbereisen, and Schmitt-Rodermund (2010) suggested that attitudes and personality were important predictors of entrepreneurial intentions.

Decision to involve in entrepreneurship among university students were determine by their attitudes towards the entrepreneurs, entrepreneurial activity, and its social function (Iqbal et. al., 2012). In addition, students who involved in entrepreneurial activities were highly interested to become an entrepreneur (Iqbal et al., 2012).

According to Theory of Planned Behavior (TPB), the attitude toward the behavior refers to the degree to which a person has a favorable or unfavorable evaluation or appraisal of the behavior in question (Ajzen, 1991). The more favorable of the attitude toward the behavior, the stronger will be the individual to perform the behavior (Ajzen, 1991).

Recent studies postulated that entrepreneurship education and entrepreneurship courses play a major role in promoting entrepreneurship readiness and intention among university students (Iacobucci & Micozzi, 2012; Packham, Jones, Pickernell & Brychan, 2010). However, these can affect the entrepreneurial intention only when the students change their attitudes and perceptions on desirability of self-employment and entrepreneurial self-efficacy (Iqbal et al., 2012).

Apart from the attitude, other factor that has been examined in the previous studies was the level of students' motivation (Mohd Hassan, 2007; Johnson, 1990; Well, 1994). Motivation involves the conduct of a variety of motives that are measured in terms of change, wants, needs, and goals (Mohd Khata & Mohd Firdaus, 2012). Motivational factors in the previous research including personal liberty, independent, the status of entrepreneurs, desire ownership of power, money rewards and achievements (Ab. Aziz, 2003).

III. METHODOLOGY

This survey study aims to determine the level of students' readiness to participate in entrepreneurship, their attitudes, their motivation, and the relationship between those variables. The study population consisted of 246 final year students at faculty of management in one public university in Malaysia. As refer to Krejcie and Morgan (1970) sampling technique, 150 of studnets were randomly selected for this study. The questionnaires used in this research were adapted from previous studies by Francisco Linan and Yi-Wen Chen, (2009), Mohd Khata and Ahmad Firdaus (2012). Descriptive analysis that includes frequency, percentage, mean and standard deviation were used to analyze the data. The Pearson correlation was used to measure the relationship between attitudes, motivation and level of readiness.

IV. RESULT

The frequency analysis showed that the majority of the respondents were female (80.0%). The most of the respondents were in entrepreneurship program (50.7%), followed by business management program (39.3%). Almost 64% of the respondents have participated in entrepreneurship activities organized by the university. However, 55% of the respondents has none of their family members involve in business. The details about the demography of the respondents are displayed in Table 1.

Table 1
Demographic Factors of the Respondents.

	Numbers (n)	Percentage (%)
Gender		
Male	30	20.0
Female	120	80.0
Programs		
Accounting	15	10.0
Entrepreneurship	76	50.7
Business Management	59	39.3
Involvement in University Entrepreneurship Activities		
Yes	95	63.3
No	55	36.7
Family Background in Business		
Yes	67	44.7
No	83	55.3

Table 2 shows the mean of respondents' scores on their readiness to involve in entrepreneurship, attitudes and motivation towards entrepreneurship. As refer to the table, respondents' intention level to involve in entrepreneurship were moderate (*M*=2.99, *SD*=.68). The respondents' motivation (*M*=3.11, *SD*=.58) and attitudes (*M*=3.12, *SD*=.57) towards entrepreneurship also at the moderate level.

Table 2
Mean Scores of Respondents' Readiness, Attitudes, and Motivation towards Entrepreneurship

Factors	Mean	SD
Intention	2.99	.68
Motivation	3.11	.58
Attitudes	3.12	.57

Table 3 displays the mean of respondents' scores on readiness to get involve in entrepreneurship. As refer to the table, 'determination to start a business' has the highest mean score (*M*=3.11, *SD*=.72). This is followed by 'effort to start a business' (*M*=3.07, *SD*=.64) and 'have a business in future' (*M*=3.05, *SD*=.71).

Table 3
Mean Scores of Respondents' Readiness to Involve in Entrepreneurship

Items	Mean	SD
Ready to do anything to be an entrepreneur	2.81	.62
Goal to be an entrepreneur	2.89	.67
Effort to start a business	3.07	.63
Have a business in future	3.05	.71
Seriously thought to start a business	3.03	.75
Determination to start a business	3.11	.73

Table 4 represents the mean of respondents' scores on motivation towards entrepreneurship. As refer to the table, 'want more success in life' has the highest mean score (*M*=3.21, *SD*=.57). This is followed by 'hardworking to success' (*M*=3.19, *SD*=.55) and 'have vision to success' (*M*=3.18, *SD*=.57).

Table 4
Mean Scores of Respondents' Motivation towards Entrepreneurship

Items	Mean	SD
Work extra hours to success	2.99	.46
Always think rationally	3.16	.56
Hardworking to success	3.19	.55
Have vision to success	3.18	.57
Earn more money	3.07	.62
Others' success influence to do business	3.15	.62
Want more success in life	3.21	.57
Pursue the ambition to be an entrepreneur	3.14	.62
Encouragement from parents	3.04	.61
Family proud of the career success	3.08	.51
Gain recognition	3.05	.65

Table 5 shows the mean of respondents' scores on attitudes towards entrepreneurship. As refer to the table, 'high curiosity' has the highest mean score (*M*=3.22, *SD*=.55). This is followed by 'confident of self-ability' (*M*=3.20, *SD*=.57) and 'like doing something exceptional from others' (*M*=3.13, *SD*=.58).

Table 5
Mean Scores of Respondents' Attitudes towards Entrepreneurship

Items	Mean	SD
Future life guarantee	3.12	.61
High curiosity	3.22	.55
Confidence of self-ability	3.20	.57
Risk taker	3.04	.54
Like doing something exceptional from others	3.13	.58
Like to be independent	3.12	.61
Opportunist	3.05	.59
Working with passion	3.10	.57

The correlation between the variables were investigated using Pearson product-moment correlation coefficient (*r).* As suggested by Cohen (1988), if $0.10 \leq |r| \leq 0.29$ the relationship considered as weak, $0.30 \leq |r| \leq 0.49$ as moderate, and $0.50 \leq |r| \leq 1.00$ as strong relationship. The results revealed that readiness to involve in entrepreneurship had a strong, significant positive correlation with attitudes (r = .64, $p<.01$), and motivation (r = .60, $p<.01$).

V. DISCUSSION AND CONCLUSION

This findings of the study revealed the readiness level to get involve in entrepreneurship among final year students were at the moderate level. Their attitudes and motivation towards motivation also at the moderate level. The correlation analysis found a strong, significant positive relationship between readiness, motivation and attitudes towards entrepreneurship.

Although most of the respondents were not from business family background, but most of them participated in entrepreneurship activities organized by the university. These are the factors that contributing to their level of readiness to get involve in entrepreneurship once graduated. As suggested by Buerah Tunggak and Hussin Salamon (2008), formal education, business experience and frequency of attending an entrepreneurship training program are among the important factors that affect individuals' involvement in entrepreneurship. Successful entrepreneur has appropriate skills and knowledge in their business. They develop their skills and knowledge, either formal or informal through past experiences (Ishak Yusof et al., 2011).

Attitudes was found as the most influenced factor in entrepreneurship involvement (Norsamsinar et al., 2015). In this study, the respondents' attitudes towards entrepreneurship was moderate. They were high curiosity, highly confidence of self-ability, and like doing something exceptional from others. In previous research, Mamat (2009) stated that successful entrepreneurs need to be independent from others, courageous, creative, innovative, confident, and brave to seize any opportunity. The goal in their life is a key determinant in generating positive attitudes towards the business.

This study revealed that the motivation level towards entrepreneurship among final year students were also at moderate level. The most motivational factor was they want more success in their life and they knew they must be hardworking to be succeed. These aligned with previous study found that the most motivational factors in entrepreneurship involvement were they want to improve their financial strength, support their families, and they want to be successful like other successful people (Isma Addi & Mohamad Zahir, 2011). However, Samuel et al., (2013) found that the most motivational factors towards entrepreneurship was to take advantage of creative talent and to earn reasonable living.

Finally, this study revealed that attitudes and motivation towards entrepreneurship contribute to the readiness of the students to involve in entrepreneurship. In the future, research should include larger and diverse sample to support the findings of this study and improve generalization.

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