



Public University Students' Entrepreneurship Interest and Their Career in Malaysia

O. Norasmah, and A. R. Nur Zafirah

Faculty of Education, University Kebangsaan Malaysia

Abstract. Malaysia has worked to cultivate entrepreneurial interest among students so they will pursue entrepreneurship careers after graduation. However, this effort seems unsuccessful because of low numbers of graduates in entrepreneurship careers. This study investigated the entrepreneurial interest and career choices of 360 Malaysian college students. Analysis of survey data found that students' entrepreneurship interest was high but entrepreneurship career choice was moderate. Therefore, the Malaysian government should take steps to increase students' interest in entrepreneurial careers.

I. Introduction

Malaysia is transforming from a middle-income economy to a high-income economy (Malaysia 2010). Among its current efforts, Malaysia is trying to incorporate aspects of entrepreneurialism at all levels of the educational system. The country's New Economic Model focuses on developing intellectual capital with strong innovative power.

Entrepreneurial courses are implemented because entrepreneurship is expected to help boost Malaysia's economic growth. One such governmental effort was the Ministry of Higher Education's launch of the Institutes of Higher Education Entrepreneurship Development Policy in 2010. The policy aims to ensure that all higher education institutions in Malaysia will be able to develop organized and systematic entrepreneurship curricula to ultimately produce students who are not only knowledgeable in entrepreneurship, but who also have entrepreneurial thinking skills and characteristics (Malaysia 2010, v). This effort was further enhanced in 2016 when the entrepreneurship educational curriculum was streamlined under the Malaysia Education Blueprint 2013–2025 (Ministry of Finance 2016).

Implementing, managing, and assessing the curricula and pedagogy of entrepreneurial education differ between formal and informal educational contexts. Formal educational contexts give serious attention to all matters pertaining to the entrepreneurial teaching and learning processes, whereas informal settings are more likely to rely on students' exposure to and experience with entrepreneurial activities.

I.1 Status of Entrepreneurship Education

Entrepreneurship education is an increasingly popular subject in colleges and universities in Malaysia and other countries (Othman and Nasarudin 2016; Solomon et al. 2002). Universities should have a role in increasing student involvement in business and entrepreneurship by fostering an entrepreneurship culture through entrepreneurial educational engagement (Abdullah et al. 2014). However, many students do not understand the value of entrepreneurship, evidenced by studies conducted in Malaysia, which found the likelihood of entrepreneurial education among Malaysian students moderate compared to students in other countries (Othman and Othman 2016; Lorz 2011).

According to the Malaysian Ministry of Higher Education (Malaysia 2015), the number of students venturing into entrepreneurship was clearly increasing by 2016. Specifically, 1,114 students were engaged in entrepreneurship or business in 2011; in 2012, that number was 1,273;

and, in 2013, it had increased again to 2,387. In 2014, there were 4060 students (Othman and Nasarudin 2016).

The increase in registration for these courses has been associated with the ability of entrepreneurship education to provide a variety of benefits to the students. Othman and Nasarudin (2016) identified its ability to produce competitive, creative, and critical thinkers; erode the wage culture among students; and pointed out its ability to create job opportunities through new business creation/development. These benefits are very important because they might lower unemployment among college graduates. According to Miaat (2014), the number of unemployed workers in Malaysia is increasing parallel to the number of graduates each year, while the job market remains limited. This situation is worse when the economy is not growing enough to absorb the number of graduates (Baharin et al 2012). Additionally, the increasing population is contributing to unemployment and competition for good jobs.

However, the state's desire for highly educated independent contributors to society without expecting the public and private sectors to create jobs for these workers is not a reality. This is evident in the Department of Statistics Malaysia's (2015) report that unemployment rates among college graduates in Malaysia were 3.0 percent with a 3.3 percent growth rate per annum during the 10th Malaysia Plan period from 2011 to June 2015 (Department of Statistics Malaysia, 2015). The number of information and communication technology graduates that had not completed their studies after graduation was 44,391 (24%) (ibid). The questions we ask are: (1) Why are graduates or current students not likely to choose entrepreneurship as a career path? (2) What are the factors that relate to the low numbers of students and college graduates engaged in entrepreneurship (only 2% were involved in 2016)? (3) Do college/university students have little personal interest in entrepreneurship or is it just not the first choice? To answer these questions, this study investigated the following: (1) the extent of interest in entrepreneurial subjects among public university students and (2) the variety of public university students' entrepreneurship career options.

II. Research Methods

A three-part survey questionnaire was used (Ishak 2009) to collect data. Section A (five items) asked about demographic characteristics, Section B (12 items) covered the respondents' interest in entrepreneurship, and Section C (10 items) concerned entrepreneurial career paths. The response options on all of the quantitative items were on a five-point Likert-type scale where 1 = *strongly disagree* through 5 = *strongly agree*. The total number of quantitative items was 22 and the weight estimation was more than 0.50. According Hair et al. (2006), the weighting factor affects the examination to look at and assess the lattice variables to play out the investigation factor in light of the fact that through the example size can be dictated by weighting factor.

The sample comprised 382 bachelor's degree students at five public universities in Malaysia who had registered for the Entrepreneurial Basics course. The population of students in Malaysian public universities reported in Graduate Study Review Report 2014 was about 75,000 (Malaysia 2015). Random sampling techniques were used to draw a sample of five from the following universities: (1) research universities, (2) focused universities (specialized, instructional, administration and protection), and (3) comprehensive universities. The draw technique was employed. Through drawings in the jar five public universities were selected: three from research universities (U1, U2, and U3) and two from comprehensive universities (U4 and U5). Then, purposive sampling methods was used to select targeted sample (second-year and higher undergraduate students were chosen because first-year students have not yet had the Entrepreneurial Basics course) from the five universities. Based on Krejcie and Morgan Table (1970), the appropriate sample size was 382 students. However only 360 students respond and completed the instrument. Therefore, the final sample for this study was 360.

Thirty undergraduate students from focused universities (since these universities were not selected in the study) who had taken the Entrepreneurial Basics course were used to test the validity and reliability of the survey instrument as a pilot study. The results found that the validity of the questionnaire was greater than 0.30 and the reliability (Cronbach's alpha) was greater than 0.70, indicating that the questionnaire was reliable and valid. To interpret the analytical results, mean scores (Othman 2002) were computed.

III. Results and Discussion

III.I Entrepreneurial Interests

Table 1 shows that the respondents at U1 had the most interest ($M = 4.22$) in entrepreneurship, followed by U4 ($M = 4.17$), U2 ($M = 4.08$) and U3 ($M = 4.08$), and U5 ($M = 3.67$), with overall interest at 4.04, which was considered high. The results of this study found that the percentage of respondents with the entrepreneurial career choice was satisfactory because the respondents at four of the five universities reported high levels of interest. The findings support Ishak's (2009) results, which also found that the choice of an entrepreneurial career path was high for the Graduate Entrepreneur Scheme. Nandram et al. (2006) found that positive attitudes toward entrepreneurship correlated with the decision to enter entrepreneurship immediately upon graduation. Moreover, the results confirmed the theory of planned behavior regarding the proximate determinants of behavior as motivation and motivational factors (Ajzen 1991; Hisrich et al. 2008).

Table 1. Interest in entrepreneurship.

University	Mean	S.P	Level of interest
U1	4.22	.52	High
U2	4.08	.56	High
U3	4.08	.53	High
U4	4.17	.57	High
U5	3.67	.58	Moderately High
Full sample	4.04	.55	High

III. II Entrepreneurship Career Choice

Table 2 shows the extents of the respondents' entrepreneurial career choices. U1 had the highest average ($M = 3.92$), although all of the universities' respondents were at the moderate level (U2: $M = 3.59$, U3: $M = 3.88$, U4: $M = 3.83$, and U5: $M = 3.60$). This finding differs from that of Mohamad et al. (2014), which found a higher likelihood that students will choose entrepreneurship as a career (at Universiti Utara Malaysia).

Table 2. Entrepreneurship career choice.

University	Mean	S.P	Choice of Entrepreneurship
U1	3.92	.67	Moderately High
U2	3.59	.60	Moderately High
U3	3.88	.61	Moderately High
U4	3.83	.64	Moderately High
U5	3.60	.66	Moderately High
Full sample	3.76	.64	Moderately High

IV. Conclusion

This study found that entrepreneurial interest was at a high level, except for the respondents at U5, which was moderate. From this, we conclude that the entrepreneurial education at U1 through U4 was successful because students had a strong likelihood of entrepreneurship. However, we suggest that the Entrepreneurial Basics course at U5 should be improved to increase student interest in entrepreneurship. Lecturers should exhibit entrepreneurial attitudes during their lectures.

Learning from actual entrepreneurs helps students to gain interest in entrepreneurship. U1 and U2 often invite successful entrepreneurs to share their entrepreneurial experiences with students. Therefore, U5 should focus on inviting students with business backgrounds and students who are working in business while they complete their educations to speak to new students. This study found that, on average, the entrepreneurial career choice was less than four on the five-point scale, which was moderate. This is a problem in light of the Ministry of Higher Education's strong desire that university graduates work independently as self-employed people rather than as employees receiving pay checks.

This is part of an effort to increase Malaysians' incomes and grow the national economy. Therefore, the government encourages all Malaysians, particularly university graduates, to become entrepreneurs through formal entrepreneurship education. One step that could be taken jointly by the government, the universities, the banks, and the Companies Commission of Malaysia to encourage entrepreneurship is to offer start-up capital loans for students pursuant to student's Grade Point Average at the end of an academic year. This type of program would attract students to entrepreneurship upon graduation. Personal loans from the National Higher Education Fund Corporation could be transformed into business and educational capital loan programs with tight requirements requiring students to use the money as start-up capital before and directly after graduation.

References

1. Whitham, G. B.: *Linear and nonlinear waves*, Academic Press, 1974
2. Abdullah, S. Mohamad, A. and Bakar, H.: Career graduates of entrepreneurship undergraduates program after graduating from University Utara Malaysia, *Proceeding of National Economic Conference*, 285-291, 2014
3. Ajzen, I.: The theory of planned behaviour, *Behavior and Human Decision Processes*, 50, 179-211, 1991
4. Baharin, N. Yusoff, I. and Ismail, R.: Factors that influences unemployment in Malaysia, *Proceeding of the 7th National Conference on Malaysian Economic V11 (PERKEM VII)*, 209-227, 2012

5. Buang, N. Raduan, I. and Husin, M.: *Impact study on INSKEN entrepreneurship development program*, Research Project Report, 2006-2009, 2010
6. Department of Statistics Malaysia.: *Labour force statistics, Malaysia*, <http://www.statistics.gov.my>, 2015
7. Hair, J. F. Clark, W. C. Babin, B. J. Anderson, R. E. and Tatham, R. L.: *Multivariate data analysis*, UK: Prentice Hall, 2006
8. Hisrich, R. D. Peters, M. P. and Shephard, D. A.: *Entrepreneurship (International Edition)*, Singapore: McGraw-Hill Education Asia, 2008
9. Ishak, S.: *Correlation of attitudes, personality trends and the intention of the graduates entrepreneur scheme in entrepreneurship career selection*, Phd Dissertation, Universiti Kebangsaan Malaysia, 2009
10. Lorz, M.: *The impact of entrepreneurship education on entrepreneurial intention*, Phd Dissertation, University of St. Gallen, Switzerland, 2011
11. Malaysia.: *Ministry of Higher Education (Graduate study review report 2014)*, Putrajaya, Ministry of Higher Education, 2015
12. Ministry of Finance.: *Budget 2016*, Putrajaya, Ministry of Finance, 2016
13. Miaat, E. A.: *Factors that encourage the inclination of vocational college students towards entrepreneurship*, Final Project Report, University Tun Hussein Onn Malaysia, 2014
14. Nandram, S. S. and Samson, K. J.: *The spirit of entrepreneurship*, Heidelberg, Springer, 2006
15. Othman, N. and Nasarudin, N.: 'Entrepreneurship education programs in Malaysia polytechnics', *Journal of Education and Training*, 58, 7-8, 882-898, 2016
16. Othman, N. and Othman, S. H.: 'The perceptions of public university students of entrepreneurship education in Malaysia', *International Business Management*, 11, 4, 865-873, 2016
17. Solomon, G. T. Duffy, S. and Tarabishy, A.: 'The state of entrepreneurship education in the United States: a nationwide survey and analysis', *International Journal of Entrepreneurship Education*, 1, 1-22, 2002

