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Preface

In the name of ALLAH, Most Gracious, Most Merciful and Muhammad S.A.W., the last prophet.

First and foremost I would like to congratulate the editorial board and authors of the *Borneo Akademika* journal on their success in producing this journal. This achievement is actually the result of their tireless effort in contributing thoughts and ideas to produce papers on current issues and challenges in multi-disciplinary research. To the best of my knowledge, efforts to produce a home-grown UiTM Sabah journal actually started ten years ago, and today we see the fruits of our labour and patience. This shows us that total commitment from the academic community is required in the journey towards academic publication so that joint research efforts can be enhanced.

This journal consists of twelve peer-reviewed articles based on current research topics of interest. Each topic is unique by way of its research methodology and findings in various related fields. The papers in this journal are useful to fellow researchers who share a similar interest in the field or those who are directly involved in exploring multi-disciplinary research. We hope that this publication can be a reference for academicians and students alike, particularly those in UiTM as well as the general public.

Finally, I would like to take this opportunity to acknowledge the dedication of our editorial board and invited/field editors who have in one way or another contributed to the successful publication of this journal. My gratitude goes out to all the authors who contributed articles to this publication because this journal would not have become a reality without them.

Thank you.

Datuk Dr. Hj. Abdul Kadir Hj. Rosline
Chief Editor

Prakata

Dengan Nama Allah Yang Maha Pemurah Lagi Maha Mengasihani. Salam dan Selawat ke atas Junjungan Besar Nabi Muhammad SAW rasul akhir zaman.

Pertamanya saya ingin mengucapkan setinggi-tinggi tahniah kepada sidang penyunting dan penulis artikel jurnal Borneo Akademika yang menyumbang tenaga dan idea dalam isu dan cabaran terkini kajian pelbagai-bidang. Penerbitan jurnal ini adalah kesinambungan usaha lampau yang kurang aktif semenjak hampir sepuluh tahun lalu. Jurnal ini menggambarkan keperluan komitmen yang jitu daripada warga akademik bagi megembang kesignifikanan usaha-usaha dalam penyelidikan.

Jurnal ini mengandungi dua belas artikel yang dinilai oleh penilai jemputan/bidang berasaskan kajian semasa. Setiap tajuk yang dibincang mempunyai keunikan tersendiri yang metodologi dan dapatannya dikupas berdasarkan bidang kajian yang dibuat. Usaha ini amat memberi manfaat kepada penyelidik-penyelidik terutamanya mereka yang terlibat secara langsung dalam kajian terkini pelbagai-bidang. Tambahan pula, kami berharap agar penerbitan ini akan menjadi sumber rujukan kepada ahli akademik dan pelajar terutamanya di UiTM dan juga kepada orang awam lain.

Akhirnya, kami ingin mengambil kesempatan untuk merakamkan setinggi-tinggi penghargaan kepada semua ahli sidang penyunting dan penyunting jemputan atas sumbangan yang merupakan satu lagi cara menyumbang kepada kejayaan penerbitan jurnal ini. Terima kasih khas ditujukan kepada semua penulis yang menyumbang artikel untuk tujuan penerbitan ini kerana tanpa sumbangan mereka penerbitan ini tidak mungkin dapat dijayakan.

Terima kasih.

Datuk Dr. Hj. Abdul Kadir Hj Rosline
Ketua Penyunting

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INITIATIVES PROPOSED IN CONJUNCTION WITH THE PREPARATION OF THE 11TH MALAYSIA PLAN: STRENGTHENING ENTREPRENEURIAL TRAINING

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ABSTRACT

This paper was initially prepared in the form of a strategy paper. It has been forwarded to the state government through the Sabah State Economic Planning Unit (UPEN) in conjunction with the preparation of the 11th Malaysia Plan (11MP) (2016-2020) at the state level. In March 2014, UPEN had initiated five Technical Working Groups (known as TWG) with different tasks assigned to each group. TWG5, which was led by UiTM Sabah branch and accompanied by 10 other agencies, aimed for the construction of viable ideas in strengthening the entrepreneurial training of local micro, small and medium enterprises (SMEs). Entrepreneurial training has become one of the main agendas of the SME Master Plan (2012 – 2020) launched by Prime Minister Datuk Seri Najib Razak on 12 July 2012. This strategic plan defined the direction of SMEs in all sectors towards achieving Malaysia's goal of becoming a high income nation by the year 2020. This study also reflects the National Development Policy (NDP) in the formation of the Bumiputera Commercial and Industrial Community (BCIC). Hence, this study highlights issues with regards to entrepreneurial training, and proposes comprehensive initiatives to support local entrepreneurs by interconnecting the relevant ministries, agencies and relevant parties. This study also prepares a strategy for SMEs to cope with the knowledge-based economy (k-economy).

Keywords: Entrepreneurial training; small and medium enterprises; knowledge-based economy

ABSTRAK

Kertas kajian ini secara dasarnya disediakan dalam bentuk kertas strategi. Ia telah dimajukan kepada pihak kerajaan melalui Unit Perancang Ekonomi Negeri Sabah (UPEN) bersempena dengan penyediaan Rancangan Malaysia ke-11 (RMK11) (2016-2020) di peringkat negeri. Pada Mac 2014, UPEN telah menubuhkan lima Kumpulan Kerja Teknikal atau lebih dikenali sebagai KKT dengan pembahagian bidang-bidang tugas yang berbeza bagi setiap kumpulan. KKT5 telah dipertanggungjawabkan kepada UiTM Cawangan Sabah dengan disertai oleh 10 agensi lain bagi mencapai matlamat menyumbang idea-idea dalam mengukuhkan latihan keusahawanan Perusahaan Mikro, Kecil dan Sederhana (PKS). Latihan keusahawanan telah menjadi agenda utama kepada Pelan Induk PKS (2012 – 2020) yang telah dilancarkan oleh YAB Perdana Menteri Malaysia sendiri Datuk Seri Najib Tun Razak pada 12 Julai 2012. Perancangan strategik ini menterjemahkan hala tuju PKS dalam semua sektor ke arah mencapai matlamat Malaysia sebagai sebuah negara berpendapatan tinggi menjelang 2020. Kajian ini juga menyentuh Dasar Pembangunan Negara (DPN) dalam membentuk Masyarakat Perdagangan dan Perindustrian Bumiputera (MPPB). Justeru, kajian ini menekankan isu-isu dalam latihan keusahawanan dan mencadangkan inisiatif yang komprehensif bagi menyokong PKS tempatan dengan menghubungkan Kementerian, agensi dan pihak-pihak berkaitan. Kajian ini juga menyediakan strategi kepada PKS untuk berdepan dengan Ekonomi Berasaskan Pengetahuan (p-ekonomi).

Kata kunci: Latihan keusahawanan; perusahaan kecil dan sederhana; ekonomi berasaskan pengetahuan

1.0 Introduction

In 2012, small and medium enterprises (SMEs) continued to record an encouraging performance, with real GDP growth of 6% amidst a difficult external environment, thus further raising the contribution of SMEs to the economy of up to 32.7% of the Gross Domestic Product (National SME Development Council, 2013). The prospects at that time were for SMEs to expand further by 5 to 6% in 2013. The SME growth trend which superseded the overall GDP growth of the country was a testimony that Malaysian SMEs were indeed more resilient, agile and capable of adapting to changes in the marketplace as compared to their larger counterparts. The reality today is that the business environment will continue to evolve and the only thing that is constant is change. The operating environment has become increasingly challenging, brought upon not only by ongoing globalisation leading to a more liberalised market place, but also due to several developments on the policy front. Globalisation has changed the rule of the game to the point where incremental changes are no longer sufficient for SMEs to be ahead of the curve. Instead, SMEs need to make significant changes in the way of doing business. Hence, this paper is considered timely in fully-utilising the opportunities given by the government and at the same time sending the right signal to the government on the possible training programmes that can cater to three general phases of the SME life cycle including the enculturation phase, the enrichment phase, and the recovery phase.

Initially, the proposed strategy paper under the TWG5 which was on 'Strengthening Entrepreneurial Training' was basically derived from the SME Master Plan (2012 – 2020) launched by Prime Minister Datuk Seri Najib Razak on 12 July 2012 (refer to Figure 1). The strategic plan defined the policy direction of SMEs in all sectors towards achieving Malaysia's goal of becoming a high income nation by 2020, which is in line with the launching of the New Economic Model (NEM). Vision 2020 is actually translated into four main pillars of national transformation. The four pillars are:

- i. 1Malaysia – "People First, Performance Now"
- ii. Government Transformation Programme (GTP) – Five national key result areas (NKRA)
- iii. Economic Transformation Programme (ETP) – Eight strategic reform initiatives (SRIs)
- iv. 10th Malaysia Plan – Macroeconomic growth targets and expenditure allocation

Here, the third critical pillar is the New Economic Model (NEM) resulting from an ambitious Economic Transformation Programme (ETP) meant to transform Malaysia by 2020 into a developed nation, a competitive economy, a high quality of life and a high level of income from growth that is both inclusive and sustainable (National SME Development Council, 2013). The plan has played a major role in connecting ministries, agencies, specialised groups, entrepreneurs, and mega projects under the 10th Malaysia Plan (10MP) and 11th Malaysia Plan (11MP). However, there is a need to address the extent of the interconnectedness of these individuals or agencies in any mainstream report. After all, the objective of the plan is to encourage SMEs to register with the Companies Commission of Malaysia (CCM) either as a micro, small or medium enterprise. This is very important because the previous censuses did not include those who were actually doing businesses but did not register under CCM. Hence, whatever input given by the Department of Statistics with regard to SMEs did not represent a true picture of the total number of business establishments in all states. It is believed that the unregistered traders, particularly micro and small ones, could be up to 20% to 30% of the whole states in Malaysia.

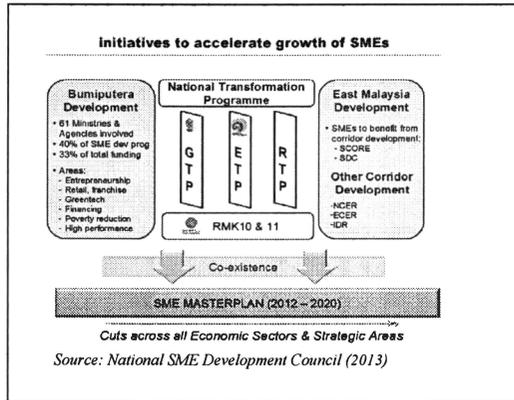


Figure 1: SME Master Plan (2012 – 2020)

On the other hand, when it comes to human capital, another significant challenge facing Malaysian SMEs is a lack of knowledge in core skills which include both hard and soft skills. The SME Development Framework as stated under the SME Master Plan (2012 – 2020) and the focus area for discussion is human capital (refer to Figure 2). An action plan is needed in order to get all the proper institutional support to tackle different focus areas. The focus of this paper is on human capital development, where a reliable database of SMEs (i.e., monitoring and evaluation tools for SMEs' progress development; effective coordination between resources and training programmes; and effective business services as the outcome of training programmes introduced to SMEs), are all important in order for SMEs to remain competitive and productive.

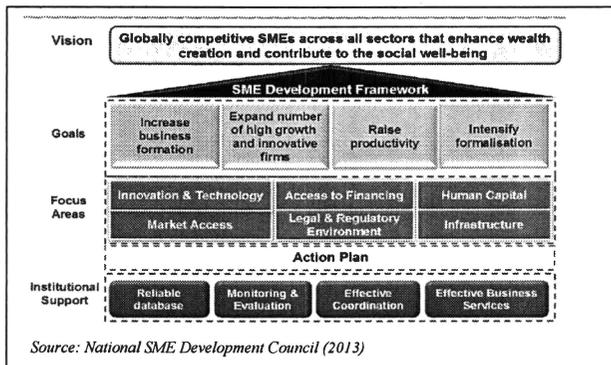


Figure 2: SME Development Framework and Focus Areas

2.0 Analysis of Gaps and Objective of the Study

In many countries, SMEs face common problems in surviving or achieving a competitive advantage. According to Reiss (2006) and Ahmad and Seet (2009) more than 50% of SMEs collapsed within the first five years of their operation. In Malaysia per se, there was no reliable figure reported, but the estimated overall failure rate of SMEs was estimated at 60% (Ahmad & Seet, 2009; Portal Komuniti, 2006). It shows that SMEs in Malaysia are facing serious issues and plenty of obstacles which make it difficult for them to remain competitive in the market. Hence, this study tries to come up with as many initiatives as possible through a thorough discussion made between the author/researcher and 10 parties, including the Malaysian Academy of SME & Entrepreneurship Development (MASMED), Institut Kemahiran MARA Kota Kinabalu (IKM), Sabah Techpreneur Association (SATA), Department of Agriculture Sabah, Ministry of International Trade And Industry (MITI), Department of Industrial Development and Research, Sabah Women's Affairs Department, SME Corporation Sabah (SME CORP), Kota Kinabalu Chinese Chamber Of Commerce & Industry (KKCCCI) and the ALUMNI of UiTM Sabah. The discussion was conducted for three months and ended up with a publication of a strategy paper entitled "TWG5: Initiatives to Accelerate the Growth of SMEs". The strategy paper was then presented in front of the UPEN representative and forwarded to the state government for further action.

Further studies need to be done to ensure Malaysia achieves a full k-economy country status by the year 2020. According to GeSCI (2011), it is important for a developing country to be knowledgeable in order to be a developed nation. Thus, the challenge of globalisation has made it vital for Malaysia to move towards becoming a k-economy. SMEs should focus mainly on overcoming challenges, which include among others, recession, barriers from global sourcing, low productivity, lack of managerial capabilities and financing, difficulty in accessing management, technology and heavy regulatory burden (Khalique et al., 2011). In the same way, the major obstacles towards entrepreneurship development are lack of access to credit, formal business, and social networks (Teoh & Chong, 2008). Many researchers have identified that the main problems faced by SMEs in Malaysia are the lack of knowledge regarding marketing techniques, branding, customer loyalty and also good contacts with other local and international enterprises (Hashim & Wafa, 2002; Muhammad et al., 2010). In addition, SMEs in Malaysia have social barriers, including networking, social media and on-line marketing which are the main obstacles to achieve the competitive advantage. Consequently, many SMEs in Malaysia lose out in terms of opportunities in the global market. Hence, they would be left behind as compared to other SMEs outside the country in terms of information technology knowledge.

This kind of knowledge is crucial among SMEs. In a k-economy, intellectual capital appears to be the most important and critical resource for an organisation to thrive in a competitive environment. According to Ding and Li (2010), in a k-economy, intellectual capital is gradually replacing the physical assets in modern enterprises. It is crucial for modern and high-tech enterprises to give full concentration not only to product innovation, marketing channels, market and services, but also the need to improve their research and development ability in the market and products, and pay attention to the management of the enterprise's intellectual capital. Hence, intellectual capital is a very important factor for the success of organisations in their effort to achieve a competitive advantage.

3.0 Issues, Strategies and Proposed Programmes of Entrepreneurial Training

In line with the aspiration of the country to assist SMEs and placing entrepreneurial activities at the mainstream, the Prime Minister announced a new definition of SMEs in Malaysia which was used effectively on 1 January 2014. The new definition was expected to result in more firms being classified as SMEs, particularly from the service sectors. As a result of the change in

definition, the share of SMEs to total establishments was expected to increase from 97.3% currently, to 98.5%. This means that the new definition will pool smaller establishments under the micro category and some medium establishments under the small category. In addition, the medium category will also receive new participation from some large firms which were previously included under the large category. Hence, entrepreneurial training is seen as critical in view of the new definition of Malaysian SMEs.

Looking at the entrepreneurship development in Malaysia and particularly in Sabah, it can be said that the industry is growing, but the expansion in terms of size from micro to small and from small to medium is still not encouraging (refer to Table 1). In addition, many still focus on general traditional-type businesses, yet there are other opportunities out there that are not realised and explored. Furthermore, many small operators think going into business is like jumping into a boat and it is all smooth sailing without anticipating the winds of change. This mindset has contributed to the statistics of 8 out of 10 entrepreneurs who started businesses and failed within the first 18 months, according to Bloomberg News (Wagner, 2013).

Table 1: Percentage share of SMEs in each state of Malaysia (2005)

STATE	MICRO	SMALL	MEDIUM	TOTAL SMEs
Selangor	74.4	22.7	2.9	100.0
W.P. Kuala Lumpur	62.8	34.2	3.0	100.0
Johor	80.8	16.8	2.4	100.0
Perak	85.8	12.6	1.6	100.0
Kedah	90.6	8.3	1.2	100.0
Kelantan	95.2	4.3	0.6	100.0
Sarawak	76.8	20.0	3.3	100.0
Pahang	88.8	9.8	1.4	100.0
Penang	80.1	16.9	3.0	100.0
Sabah	76.3	19.8	3.9	100.0
Terengganu	93.2	6.0	0.9	100.0
Malacca	84.2	13.7	2.1	100.0
Negeri Sembilan	84.9	13.0	2.1	100.0
Perlis	93.7	5.7	0.5	100.0
Total SMEs	79.3	18.4	2.3	100.0

Source: Department of Statistics (2005)

Looking at the above scenario, the need for entrepreneurship training is a must. In Sabah, apart from the need of funding into the local business environment, further training is also needed. Although trainings are available, especially at local institutions, it is not enough when it comes to the real business world. Table 2 shows the issues, strategies, and proposed programmes which focus on the various areas of entrepreneurial training, suggested by the author/researcher after thorough discussion with other agencies. The proposed areas are also made by the author/researcher based on the comparison and gaps found out from the previous Malaysia Plans (i.e. the 9th Malaysia Plan and the 10th Malaysia Plan).

Initiatives Proposed in Conjunction With the Preparation of The 11th Malaysia Plan: Strengthening Entrepreneurial Training

Table 2: Issues, strategies, and proposed programmes

No.	Issues	Strategies	Proposed Programmes
1.	Lack of knowledge of procedures for getting a business license	Increase the awareness of entrepreneurs in urban and rural areas.	Awareness programmes
2.	Lack of quality in packaging of cottage industry products	Increase knowledge and the technical know-how on packaging including labelling/branding, particularly for women and the disabled (<i>Orang Kurang Upaya</i> , OKU). Note: Currently a programme called 'Tunas Mekar' for graduates/youths is conducted by ICU & universities. However, it can be expanded to the next level and can be called 'Titian Mekar' which is mainly for ailing SMEs and specialised groups (e.g., poor/single mothers/OKU). They also need help in order to remain in the industry. Not only that, an extension of 'Tunas Mekar' called 'Terbit Mekar' can also be introduced mainly for SMEs in the cottage industry.	Mentor-mentee programmes/hands-on training Industrial attachment programmes based on sectors: <ul style="list-style-type: none"> ✓ Hands-on training ✓ Technical know-how Incubator (Short-term to long-term) program: <ul style="list-style-type: none"> ✓ In campuses ✓ In ministries/agencies ✓ In commercial parks/centres ✓ On site
3.	Lack of knowledge of market positioning Lack of knowledge in promoting products/ services Lack of knowledge in choosing strategic location	Increase knowledge on how to position SMEs' own products – common/branded/etc. Increase knowledge on promotion – advertising/sales promotion/direct selling/etc. Increase knowledge on understanding factors that need to be considered in choosing a location for business outlets, factories, warehouses, etc.	Collaborative programmes in the forms of seminar/workshop/ visit/etc. with relevant ministries/agencies
4.	Lack of knowledge in preparing a business plan	As discussed earlier, the preparation of a business plan is crucial. It acts as a handbook in operating a business. It is divided into four main sections: <ul style="list-style-type: none"> ✓ Administrative Plan ✓ Operations Plan ✓ Marketing Plan ✓ Financial Plan 	Short courses (1 to 3 months) opened to specialised groups including: <ul style="list-style-type: none"> ✓ Single mothers ✓ Poor/rural community ✓ OKUs ✓ Youths/Graduates ✓ Micro owners-managers ✓ Halal entrepreneurs ✓ Cottage industry entrepreneurs ✓ Older
5.	Lack of knowledge on <i>Shariah</i> Compliant and <i>Halal</i> Products	Malaysia aims to be a <i>halal</i> hub. Hence, it is high time for SMEs to take the lead in producing products that comply with Islamic Law (<i>Shariah</i>). Expose SMEs to the related information in the process of applying for a <i>Halal</i> Certificate.	Periodical Training (Semi-annually/quarterly) Set up a centre for <i>halal</i> studies. The objectives are: <ul style="list-style-type: none"> ✓ To conduct research ✓ To act as a resource centre ✓ To disseminate information ✓ To create a database ✓ To conduct training ✓ To identify potential Halal products to be commercialised ✓ To be involved in R&D ✓ To organise conferences/seminars
6.	Difficult to change the way of doing business from traditional to modern i.e. e-commerce/ networking marketing Lack of ICT knowledge/	Increase confidence level of SMEs Increase computer literacy Expose SMEs to ICT. Expose SMEs to networking activities.	Each village must have a post board for distributing information on entrepreneurship matters <ul style="list-style-type: none"> ✓ Local authorities ✓ Business associations/chambers ✓ Agencies/ministries

	skills		<p>Create database/website for profiling and business matching purposes</p> <p>Training on creating business websites</p> <p>Computer classes for entrepreneurs and computerised financial statement courses</p>
7.	<p>Lack of qualities related to entrepreneurship and attitude as an entrepreneur</p> <p>Unable to speak/write in English</p>	<p>Change mind set, personality, and attitude towards a professional entrepreneur.</p> <p>Increase the ability of the individuals in SMEs to speak and write in English.</p>	<p>Course 'Grooming for Success' is seen as important to build a self-confidence</p> <p>English Courses (i.e., Basic to Intermediate)</p>
8.	<p>Lack of knowledge on 'loan sharks' i.e. <i>Ah Long</i> and <i>Chettiar</i></p> <p>Lack of knowledge of loans/funds available for SMEs</p>	<p>Know the do's and don'ts in borrowing money, particularly loans from unlicensed institutions/illegal parties.</p> <p>Expose SMEs to various types of loans available in the market.</p>	<p>Seminar/Courses on bankruptcy/managing loan/etc</p>
9.	<p>Lack of knowledge in producing products that are safe and adhere to quality standards</p>	<p>Know the rights and procedures of producing safe products and adhere to the quality standards.</p> <p>Products must have a registration number and mediated hologram.</p>	<p>Short courses (1 – 2 weeks)</p>
10.	<p>Lack of knowledge of GST</p>	<p>Increase computer literacy in recording GST.</p>	<p>Roadshows and computer classes</p>
11.	<p>Lack of knowledge of accounting packages</p>	<p>Increase knowledge in electronic record keeping</p>	<p>Short courses (1 – 2 weeks)</p>
12.	<p>Lack of creativity in a grooming business</p>	<p>Increase creativity and innovativeness in producing products and the image of a business.</p>	<p>Short courses (1 – 2 weeks)</p>
13.	<p>Lack of basic entrepreneurial core values</p>	<p>Stress on high added value, high technology, advanced knowledge and ability to reform, and at the same time in possession of the entrepreneurial core value: "Culture of Trust".</p> <p>Provide training sessions on basic principles for strengthening trust, and business reputation. The contents of the training course should include the objectives of the course, such as business ethics and developing the entrepreneurial concepts and potentials.</p> <p>Provide new programmes related to entrepreneurship to be offered at the university level.</p>	<p>Seminars, workshops and training sessions can be jointly organised by the Ministries and Corporate bodies/ NGOs</p> <p>Or to be subsidised by the government and organised by commercial/corporate bodies</p> <p>In offering a new programme/subject, the involvement of the industry is crucial in order for the new programme to be market driven</p>
14.	<p>Lack of entrepreneurship awareness that is more localised especially in rural communities where information is received late or not received at all</p>	<p>Create awareness of other business opportunities in other fields.</p> <p>Create realisation on the existence of great business ideas within an individual.</p> <p>Change the mindset of our graduates – move away from the 'Looking for Job' mindset.</p>	<p>Regular campaigns on entrepreneurship even in the rural areas where the standard of living is to be raised</p> <p>Conduct entrepreneurial talks and offer guidelines on how to tap into other fields (Blue Ocean Strategy)</p>

Initiatives Proposed in Conjunction With the Preparation of The 11th Malaysia Plan: Strengthening Entrepreneurial Training

			<p>Brainstorming workshops on idea generation</p> <p>Involve schools for early entrepreneurship awareness</p> <p>Campaigns in changing the mindset to “No Jobs Available, Create One”</p>
15.	<p>Lack of mentorship on how to run a business</p> <p>No place to look for mentors, i.e. a venue that can assist start-ups</p> <p>Lack of platform to pitch for ideas</p> <p>The ineffectiveness of online coaching due to internet challenges, especially in rural areas</p>	<p>Introduce centres that facilitate SMEs in the form of mentoring activities.</p> <p>Introduce centres that provide coaching services and pitching for new ideas.</p>	<p>Provide Facilitation Centres to accommodate start-up entrepreneurs in terms of space, training & mentorship, funding, basic business office facilities, networking etc</p> <p>Organise more pitching competitions</p> <p>Community programmes, e.g. “1Azam” should also include mentorship to help participants to succeed in business</p>
16.	<p>Lack of funding to support new/existing/ailing businesses</p>	<p>Provide more funds. Existing funding e.g. MOSTI, Cradle, SME banks etc. are not easily accessible. Applicants have to fly to Kuala Lumpur and the documentations required by banks deter people.</p> <p>Disseminate information. Not many people apply because not many of them are aware of such funding – ineffective dissemination of information.</p>	<p>Local bodies in Sabah named Facilitation Centre’s* should be set up to process such applications</p> <p>*Can be placed under LEMBAGA IKES NEGARA</p>
17.	<p>Lack of food technology processing courses/entrepreneurs, potential entrepreneurs and interested members of the public</p> <p>The level of skills and knowledge of SME entrepreneurs is still insufficient</p>	<p>Upgrade the food technology processing skills, knowledge and expertise of selected participants.</p> <p>Formulate a specialised and relevant training courses for SMEs.</p> <p>Increase number of participants. So far 1,500 persons have been trained and RM1,620 million has been invested (2005 – 2013).</p>	<p>Collaborations between ministries/agencies/NGOs/etc</p>
18.	<p>Lack of knowledge of inventory management</p>	<p>Increase knowledge of:</p> <p>Sales Management System – know how to record and calculate total sales (daily/monthly), record an inventory in and out, and calculate profit i.e. gross and net.</p> <p>Customer Relations Management System – know how to record customers’ profile properly.</p> <p>Agent Drop Ship Management System – know how to record information on total sales made by agent(s).</p> <p>Staff Management System – know how to record staff’s profile, performance, and salary payment.</p> <p>Petty Cash Management System – know how</p>	<p>Seminars, workshops, and training sessions can be jointly organised by:</p> <ul style="list-style-type: none"> ✓ Ministries ✓ Corporate bodies/NGOs <p>Or to be subsidised by the government and organised by:</p> <ul style="list-style-type: none"> ✓ Commercial ✓ Corporate bodies

		<p>to record cash in and cash out for Petty Cash and to use a ready-to-print template of voucher payments.</p> <p>Increase knowledge on how to prepare and read trade documents such as credit/debit notes, quotation, cheque, cash bill, etc.</p>	
19.	Absence of a control centre	<p>Increase the efficiency and effectiveness of managing SMEs' products and entrepreneurship agenda i.e. can be centralised – funding, training, R&D, promoting/marketing, etc.</p> <p>Cut wastage and cost.</p>	<p>Create an authority body called LEMBAGA IKS NEGARA to support the entrepreneurship agenda.</p> <p>*Note: So far, there is no single body that manages SMEs as a one-stop centre that can be as the reference to all SMEs or public who search for partners/products.</p>
20.	Lack of motivation	Increase 'fight spirit' and entrepreneurs' confidence level.	Seminar on motivation.
21.	Insufficient market opportunities to sell SMEs' products, especially from the cottage industry	Increase more venues/platforms/outlets specifically to market only SMEs' products.	<p>Create <i>Kedai IKS 1Malaysia</i> (KIKS1M), <i>Pasar IKS 1Malaysia</i> (PIKS1M), <i>Tamu IKS 1Malaysia</i> (TIKS1M) or <i>Kedai Desa 1Malaysia</i> (KD1M)</p> <p>*Note: The concept of <i>Kedai Rakyat 1Malaysia</i> (KR1M) has been implemented in Malaysia. However, the focus is not mainly on SMEs' products. Hence, a specific model of shop/intermediary needs to be implemented in order to capture and promote cottage products, which are more reasonable in terms of pricing.</p>
22.	Lack of research on local SMEs	<p>Increase the number of research focusing on developing countries in the ASEAN/Asia region.</p> <p>Increase the capability in nurturing entrepreneurship culture.</p>	<p>Research Centre</p> <p>Centre of Entrepreneurship Incubator</p> <p>Centre of Halalpreneur Incubator</p>
23.	No specific programmes arranged periodically for SME owner-managers to go across the border	Expose local SMEs to the global market.	Delegation
24.	Lack of knowledge in the process of becoming a franchisor	Increase knowledge in preparing a business for franchising purposes.	Franchising
25.	Lack of encouragement of young entrepreneurs at school/college/university level	Increase attractive funds that go directly to school/college/universities in order for them to organise their own programmes relating to creating new/young entrepreneurs.	<p><i>Pusat Keusahawanan</i> at the school/college/university level.</p> <p>In-house trading activities among students, e.g. cooperative/mini-market/ <i>Kedai Usahawan Muda 1Malaysia</i> (KUM1M), etc</p> <p><i>Tokoh Usahawan</i> award at the school/college/university level.</p>
26.	Lack of linkage between organisations/agencies/NGOs/etc. in producing entrepreneurs	Increasing skills training, curriculum development and internships, will help ensure the supply of talent to meet the needs of the industry. It must be done in clusters because specific industries need specialised talents.	Conduct skills training, curriculum development and internships – strengthen soft skill

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		As an initiative to facilitate industries to move up the value chain, the Government will also need to initiate more co-funded efforts with industry for post-graduate courses, R&D and centres of excellence.	
27.	Lack of networking between Bumiputera and non-Bumiputera entrepreneurs	In the spirit of 1Malaysia, the Government needs to further promote genuine partnerships between Bumiputera and non-Bumiputera businesses.	Partnership programmes
28.	Little involvement of the banking sector in joint venture projects	Increase capability of SMEs to be involved in new/high-tech projects. Banks need to be more entrepreneurial. E.g. Under the <i>Musharakah</i> concept, an Islamic bank acts as a partner together with an entrepreneur. Both involve in capital contribution and share profit, loss and risk. The bank will withdraw from the project upon maturity/completion. The distribution of profit is based on a pre-agreed ratio as stated in a contract.	Specialised programmes for: ✓ Youthpreneurs ✓ Sociopreneurs ✓ Innopreneurs ✓ Halalpreneurs ✓ Agropreneurs ✓ Technopreneurs ✓ Special group entrepreneurs Islamic financing offered by Islamic banks
29.	Lack of knowledge in Intellectual property (IP) and commercialisation	From time to time, there should be a responsible body that takes the lead to expose SMEs to new subjects in doing business.	Awareness Programmes – Breakthrough
30.	Insufficient number of premises/factories/ outlets/offices	More incubators are needed in giving the opportunity to SMEs to get into the real market. Develop new commercial/township areas.	Set up <i>Medan Usahawan</i> More new townships to boost SME entrepreneurial activities
31.	Redundancy in terms of programmes organised by ministries/agencies	Classify and define different types of entrepreneurship. Emphasise on business areas under NKEAs. Each ministry/agency will take care of training that relates to their competency/ niche.	Distinguish Entrepreneurial Programmes based on the unique characteristics of entrepreneurs
32.	Lack of suitable training modules for different fields, and phases of entrepreneurship	More modules for different fields of businesses which must be Malaysian based. More modules that are suitable for the three phases of the entrepreneur's life cycle i.e. ✓ Enculturation – for young entrepreneurs, ✓ Enrichment – for existing entrepreneurs, and ✓ Recovery – for ailing entrepreneurs.	Editorial Board at the national level is crucial in order to come out with suitable modules based on areas and phases of entrepreneurs
33.	Lack of chances/priority given to Bumiputera SMEs in GLCs/GLICs/ MNCs/Corporations' procurement <i>*GLCs – Government-linked Companies.</i> <i>*GLICs – Government-Linked Investment Companies</i> <i>*MNCs – Multinational Companies</i>	Increase business opportunities in GLCs/ Corporations to Bumiputera SMEs. Narrow the gap between GLCs/GLICs/ MNCs/large corporations and SMEs. Successful vendors should provide a chance for SME owners to be part of or as a major source of supplies for the contract awarded to them.	A formation of <i>Biro Tindakan Usahawan Bumiputera</i> as a platform for SME owners to voice out their problems and rights
34.	SME vendors are not keen to participate in the Vendor Development Programme (VDP)	Increase awareness among SMEs about the importance of VDP*. Note: VDP was designed in 1988 to stimulate	More VDP Special 5-year scheme offered for local SME vendors, which is not only

	<p>organised by MITI and to be trained and certified under the Vendor Graduation Scheme</p> <p>Lack of participation from anchor companies i.e. GLC, GLIC, MNCs and Corporations in the VDP</p>	<p>the capability of SMEs as suppliers to large companies and to develop Malaysian SMEs as competitive manufacturers of components required by large firms for local and overseas market through industrial linkages. Under the VDP, anchor firms – large companies are required to work in a close partnership with their associated SME vendors. Through partnership SMEs are expected to gain a better understanding of the manufacturing requirements of large companies.</p> <p>Special incentives should be provided (i.e. tax exemption*) for anchor companies that are involved in VDP.</p> <p>*Note: Two-time tax deduction on operational costs</p>	<p>for venture in S&T area but also Social Sciences</p>
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Source: Mohammed, R.U. (2014)

4.0 Conclusion

All the proposed initiatives which consist of strategies and programmes made by the author/researcher are meant for all types of entrepreneurship, (i.e., micro, small and medium) in order for them to be more competitive and sustainable in the global market. This scenario will help to assist SMEs in becoming larger in terms of size, especially among the micro enterprises. Moreover, SMEs that undergo the suggested programmes will benefit from the ‘transition period’ where indirectly they can get a more competent and expert workforce. Therefore, the aspiration of achieving a high income economy will materialise in the near future. The need to improve the competitiveness of SMEs in this global era is real. This need has to be dealt with in a comprehensive and coherent manner encompassing policies, institutions and other support measures. The government should play a very crucial role in the growth of SMEs through a variety of support programmes that are related to soft skills, management accounting, financial reporting and technology support. While the government plays an important role in supporting SMEs, the SMEs themselves cannot sit idle and wait until they get some support which may or may never come. In fact, the most successful SMEs are those that are actively seeking partners and support through their own initiatives and realign their competitive strategies to the realities of the global marketplace. They need to be ready to take risks (as risk-taking is the main characteristic of the successful entrepreneur) in exploring overseas markets for exports or for direct investments.

Even though at the moment, Malaysia has Institut Keusahawanan Negara (INSKEN) and Unit Peneraju Agenda Bumiputera (TERAJU) to cater to the entrepreneurial agenda, still the roles and functions of these establishments need to be synchronised in order to see more participants that patronise their services in term of grants, training and other awareness programmes. Thus, future studies can concentrate on the formation of Lembaga IK5 Negara, which is considered timely to act as a one-stop centre for all SMEs. It is believed that funds from the government can be properly monitored, allocated, and channelled to the right parties. Although it is for all nations, definitely this authorised body will not go against the National Development Policy (NDP) to build a dynamic, resilient, and progressive Bumiputera Commercial and Industrial Community (BCIC). More attention can be given to Bumiputera micro and small operators to realise the aspiration of achieving 30% of Bumiputera participation in all sectors of the nation’s economy. Future studies should also concentrate on designing a strategic plan for the national entrepreneurship agenda. Every ministry and relevant agency need

to be integrated under the 11th Malaysia Plan. The plan should consist of guidelines, strategies, future direction, and programmes with regard to SMEs. In addition, a proposed Model of Knowledge-Based Entrepreneurship (K-Entrepreneur) should be introduced to interlink the three main components (i.e., institutions, entrepreneurs and Malaysian strategic plans). The implementation of this K-Entrepreneur agenda can be in the form of different media (i.e., training, funding, curriculum, module or programme) and should be implemented either at the school, college, university, association, urban, rural, regional, national or international levels.

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