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## AGROPRENEURSHIP INTENTION AMONG KELANTAN YOUTH: A TPB APPROACH TO KEY INFLUENCES

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**Abstract:** The agricultural sector in Malaysia plays an important role in the country's economy. Although its development has decreased relatively along with the growth of other sectors such as industry and services, agriculture is still the main source of income for some rural communities and provides a basic food supply for the population in Malaysia. Agropreneurship not only serves as an economic driver but also as a tool to achieve positive social change. One of the resolutions that has been reached from the Kelantan State Food Security Town Hall 2023 is to produce more young farmers through the inculcation of interest in the agro field. Despite this significance, youth participation in the agricultural industry remains low and is still dominated by smallholders with an average age of over 55 years. Therefore, this study applies Theory of Planned Behaviour (TPB) to examine the factors affecting agropreneurship intention. This study investigates the effect of attitude (A), perceived behavioural control (PBC), subjective norm (SN) towards agropreneurship intention (AI) among 384 youth in Kelantan by employing a stratified random sampling methodology. The data were analysed by using Partial Least Squares-Structural Equation Modelling (PLS-SEM) 4.0. Ultimately, this study could contribute to formulating policies and relevant programs, especially in increasing youth participation in agropreneurship in Kelantan, which is in line with Kelantan Agricultural Strategic Action Plan 2021-2025 and Kelantan Agricultural Policy. Kelantan will economically benefit from the agriculture sector by attracting more public involvement, particularly among youth.

**Keywords:** Agropreneurship, TPB, youth

### 1. Introduction

Agriculture remains vital to Malaysia's economy, providing income for rural communities and ensuring basic food supplies. This sector includes the cultivation of food crops, the production of commodity crops such as palm oil and rubber, animal husbandry, and aquaculture. Despite its importance, the share of agriculture in GDP has declined compared to other sectors such as industry and services (Azer et al., 2016). Several factors affect agriculture in Malaysia, including climate change, soil conditions, technological advances, government policies, and market demand. Climate change, especially droughts and floods, significantly affects crop yields (Tan et al., 2021). In addition, the drop in commodity prices and global competition is increasingly burdening the sector (Ismail et al., 2001).

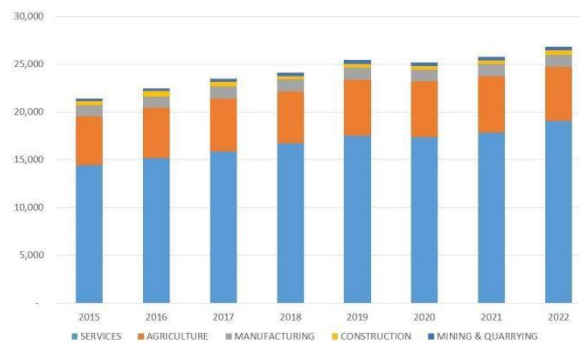
Other challenges include inefficient use of resources, limited raw materials, and an aging workforce, with a lack of young farmers exacerbating problems in the sector (Dardak, 2020; EIU, 2018; 2019; Shaharudin & Rahim, 2020). According to DOSM (2023), the livestock sector is important, with major contributions from ruminant farming such as cattle, goats, and sheep as well as poultry. Although domestic production meets many needs, Malaysia struggles with food self-sufficiency. For example, local production only meets 70% of rice demand, 40% of vegetables, and 23% of ruminant needs (MAFI, 2021a).

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Nevertheless, The Economist Intelligence Unit (2018, 2019) reported that Malaysia's Global Food Safety Index (GFSI) improved from 40th to 28th place, reflecting progress but indicating room for improvement .

In Kelantan, agriculture contributes significantly to the gross domestic product (GDP), with the state being a major food producer. The achievements and contributions of the agricultural sector to the economic growth of the state of Kelantan are very encouraging. In 2022, the agricultural sector in Kelantan recorded an added value of 5.9 billion ringgit in 2021 compared to 5.8 billion ringgit in the previous year (see Figure 1) (DOSM, 2023).

**Figure 1: Kelantan GDP (2015-2022)**



*Source:* DOSM (2023)

However, the number of skilled agricultural workers in Kelantan is declining, and employment trends have shifted towards other sectors. The number of Kelantan's agricultural skilled manpower in 2018 was 84000 people, 77 200 people in 2019, and decreased to 75 200 people in 2020 (DOSM, 2021). In addition, the latest statistics show a significant decrease with the number of skilled workers in this field dropping to 46 500 people in 2021 (DOSM, 2023). Empowering youth through agropreneurship can help maintain Kelantan's role as a key food producer and offer job opportunities for the younger generation. The Kelantan State Agriculture, Agro-Food Industry & Commodity Exco mentioned that the issue of the involvement of young farmers also needs to be emphasized to overcome the issue of aging farmers in Kelantan. It is estimated that only 15 percent of the youth in this country are involved in agriculture (Muhsain et al., 2022; UPEN Kelantan, 2024).

Additionally, the aging farming population is a critical issue. Many smallholders are over 55 years old, and a significant portion of agricultural workers are nearing retirement. The younger generation shows little interest in agriculture, preferring urban jobs. This labour shortage threatens future food production sustainability (Shaharudin & Rahim, 2020). Even though agropreneurship has an important role in the development of the Malaysian economy (Ambad et al., 2021), the perception of agriculture as a challenging field deters youth from participating. As mentioned by Geza et al. (2021), youths have a poor and negative perception of the agro-food sector which is labour intensive, and have low returns compared to white collar jobs. The perception that the agro-food sector is a 3Ds sector, which is difficult, dirty and dangerous, has caused most youths to distance themselves from this sector (Ali et al., 2020; Yaakub & Arshad, 2022). To deal with the issue at hand, the Malaysian government has introduced policies like the National Food Security Policy Action Plan 2021-2025 and the National Agro-Food Policy 2021-2030. These policies aim to boost food security through sustainable practices, technology, and resource management (MAFI, 2021b). This is also parallel to the UN's SDGs, particularly SDG 1 (No Poverty) and SDG 2 (No Hunger), which stresses on the importance of nutritious food and the role of young farmers in achieving these goals (UN, 2022).

Despite the challenges faced by Kelantan (an aging workforce and limited youth involvement), agriculture remains crucial to the country's economy. Continued efforts to promote agropreneurship and modernize the sector are essential for sustainable food security and economic growth. Addressing these issues will enable Malaysia generally and Kelantan particularly to achieve their full potential in

agricultural production and secure a prosperous future for their agricultural sectors. In this view, this study attempts to investigate the determinants of agropreneurship intention among the Kelantan youth by using theory of planned behaviour (attitude, subjective norms, and perceived behavioural control).

## 2. Literature Review

The intention to become an entrepreneur usually has a close relationship with the Theory of Planned Behaviour (TPB). TPB was developed by Icek Ajzen in 1985, and it provides a framework for understanding entrepreneurial intentions. According to TPB, three key factors which are attitude, subjective norms, and perceived behavioural control determine a person's intention to perform a behaviour, and in turn influences whether the behaviour will be executed.

Malebana (2015) suggested that TPB is a valuable tool for evaluating entrepreneurial support programs. By applying TPB, we can systematically assess how such programs impact individuals' business intentions and tailor interventions to target specific factors that drive entrepreneurial behaviour.

In agropreneurship, intention refers to an individual's desire to start and operate a business in the agricultural sector. Intention plays an important role in the entrepreneurial process of every entrepreneur (Awang et al., 2016). Strong entrepreneurial intentions are crucial as they drive actions and decisions related to business ventures. In addition, high intrinsic motivation and external factors such as family support, market opportunities, and government policies play significant roles in shaping these intentions (Al-Jubari et al., 2019; Awang et al., 2016; Widhiningsih, 2020).

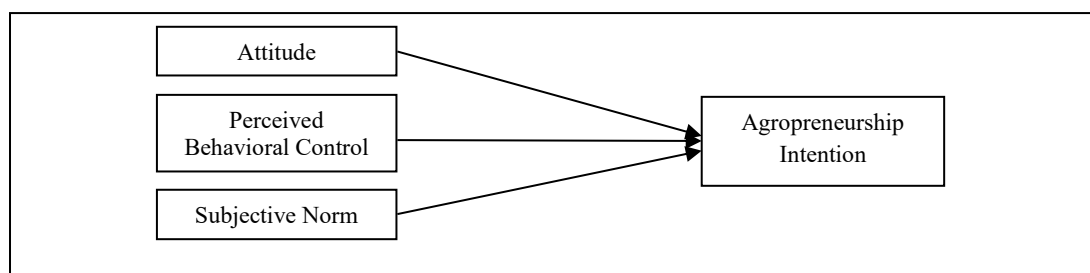
Attitude toward agropreneurship reflects an individual's positive or negative evaluation of agropreneurship. Positive attitudes toward agropreneurship significantly influence youths' intention to engage in the sector (Abdullah & Sulaiman, 2013; Ali et al., 2020; Rosli et al., 2021). Perceived behavioural control (PBC) involves perceptions of ease or difficulty in performing a behaviour, influenced by past experiences and anticipated obstacles. While some studies suggest PBC is a significant predictor of entrepreneurial intentions (Ambad et al., 2020; Bakar et al., 2019; Mahmood et al., 2019), others indicate less impact (Arshad et al., 2023). Subjective norms (SN) encompass beliefs about social expectations and pressures from significant others. They influence whether individuals pursue entrepreneurship based on perceived approval or disapproval from family, friends, or society (Bakar et al., 2022; Yusoff et al., 2019).

Based on previous study, the summary for hypotheses constructed for this study involves H1: attitudes positively affects the agropreneurship intention, H2: perceived behavioural control positively affects the agropreneurship intention, and H3: subjective norm positively affects the agropreneurship intention.

### Research Framework

As illustrated in Figure 2, the framework for this study is the TPB which consists of attitude, perceived behavioural control, and subjective norm towards agropreneurship intention. The preference for the TPB in evaluating entrepreneurship support programs in a study is justified by its proven success in predicting relevant behaviours and its applicability across a variety of practical contexts. TPB's empirically structured approach facilitates a deeper understanding of how support programs can shape entrepreneurial intentions, leading to clearer, more targeted, and more effective interventions.

**Figure 2:** Research Framework



### 3. Methodology

The study employs a descriptive research design, distributing survey questionnaires to respondents to gather the necessary data for answering the formulated research questions. The aim is to collect quantifiable data from the population sample for statistical analysis, enabling accurate generalization of the population and situation. Stratified sampling and self-administered structured questionnaire is used for data collection. The questionnaire is distributed directly to youth aged 18 to 40 living in Kelantan. This population includes college and university students, unemployed individuals, and those without permanent employment.

Two software tools are utilized to analyse the collected data: IBM SPSS (Statistical Package for the Social Sciences) and PLS-SEM (Partial Least Squares Structural Equation Modelling). Using both softwares will leverage their unique strengths and advantages. SPSS provides detailed descriptive statistics and insights into sample demographics, while PLS-SEM through SmartPLS 4 facilitates the testing and verification of theoretical models and hypotheses. For the measurement model, the study will evaluate loadings, average variance extracted (AVE) and composite reliability (CR). For structural model assessment, the beta values ( $\beta$ ), standard deviation, t-values, p-values, Confidence Intervals Bias Corrected (BCI), Effect Sizes ( $f^2$ ), and PLS-Predict (Holdout sample) will be evaluated. Combining these approaches is expected to deliver a comprehensive understanding of the data.

### 4. Conclusion

As involvement of youngsters in the agricultural industry remains low and it is still dominated by an average age of over 55 years' smallholders, this conceptual paper aims to examine the relationship between TPB antecedent and agropreneurship intention. Understanding and leveraging agropreneurship intentions are critical for fostering a supportive environment for business growth. By analysing attitude, perceived behavioural control and subjective norms, the study is able to have a better understanding to enhance agropreneurship intentions, leading to increased business innovation and success. Therefore, solving this problem is crucial not only for the economic viability of rural communities but also for ensuring food security and fostering innovation in the agricultural landscape.

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