

DETERMINANTS OF ENTREPRENEURIAL INCLINATION AMONG UNIVERSITY STUDENTS

Mohd Rozaimy bin Ridzuan¹, Noor Amira Syazwani Abd Rahman², Mohd Nazir bin
Rabun³, Ju Soon Yew⁴, & Kong Lai Kuan⁵

^{1,2,4}*Faculty of Administrative Science & Policy Studies, Universiti Teknologi MARA Pahang, Kampus Raub,
Malaysia*

¹rozaimy@uitm.edu.my

²amirarahman@uitm.edu.my

⁴syju337@uitm.edu.my

³*Faculty of Administrative Science & Policy Studies, Universiti Teknologi MARA Kedah, Kampus Sungai
Petani, Malaysia*

³nazir2623@uitm.edu.my

Faculty of Business and Management, Universiti Teknologi MARA Pahang, Kampus Raub, Malaysia

⁵konglaikuan@gmail.com

Abstract: Universities play a promising role in encouraging entrepreneurship activities to develop regional and social economies. While the students are studying to survive today's robust business milieu, entrepreneurial cultures and aspirations among them are also shaped. For a university graduate nowadays, wage employment is no longer a guarantee especially in the public sector. Hence, this paper primarily investigates both internal and external determinants that influence the involvement of university students in entrepreneurial activities. Methodologically, this paper utilizes a qualitative study whereby five students whom are involved in entrepreneurial activities are interviewed. The focus is to get their insights about the motivations which engage them in entrepreneurship activities on the campus. Finally, based on the findings, the implications of the study have been forwarded.

Keywords: Entrepreneurship, psychological factors, University Students.

Introduction

Due to an increase in the globalization trends, entrepreneurship can be seen as one of the best blueprints to achieve both economic growth and economic development of the country (Schaper & Volery, 2004; Venkatachalam & Waqif, 2005). According to Kuratko & Hodgetts (2004) and Bruton, Ahlstrom & Obloj (2008), economic growth, innovation and competitiveness of the country can be obtained through entrepreneurship. In fact, previous studies found that entrepreneurship is interrelated to economic growth, specifically in the forms of job creation, firm's sustainability and technology change (Lena & Wong, 2003; Karanassios et al., 2006).

Neck & Corbett (2018) contend that entrepreneurship education can mould students' skills and cognitive ability to venture into a new business activity. It is pertinent to encourage undergraduates to choose entrepreneurship as a career so that they can grasp advantage of their formal education (O'Connor & Reed, 2015). Moreover, wage employment, especially in the public sector, is no longer to be a guarantee for the university students (Postigo et al., 2006). The perception that university graduates may easily get jobs after completing their studies has no longer exist in today's employment world although they are always claimed as the intelligent group in society (Seet & Seet, 2006). Hence, they are expected to choose entrepreneurship as their future career (Kantis et al., 2002). Research in the Malaysian entrepreneurship is still scarce as this field has only began to get the government attention in the mid-90s (Mohar Yusof, Sandhu & Kamal Kishore, 2007). Therefore, this study intends to fill the gap by exploring the motivational factors that influence the engagement of university students in entrepreneurial activities.

Role models

Previous literature studies have widely discussed the importance of role models towards an individual's inclination to venture into entrepreneurship (Van Auken, Stephens et al. 2006; Kirkwood, 2007). According to Hisrich, Peters & Shepherd (2005), role models are 'individuals influencing an entrepreneur's career choice or styles'. Meanwhile, according to Abbasianchavari & Moritz (2020), entrepreneurs always believe that other people such as renowned people, friends and relatives have significantly influenced their decision to be involved in an entrepreneurship activity. Role models are very essential in influencing other people to be an entrepreneur since they may provide business guidance, moral supports as well as good examples for them to be followed (Bygrave, 2004). Moreover, Caputo & Dolinsky (1998) have also mentioned that a new entrepreneur needs to have someone who is very successful in business for him to be a successful businessman, too. Nevertheless, friends are also found to influence an individual's inclination towards entrepreneurship. Dillard & Campbell (1981) claim that White American students seem to be influenced more by friends when deciding on their career development. This might be due to the students' belief, that friends are the best source and place to seek advice and even capital (Schaper & Volery, 2004). This is also supported by Nanda & Sorensen (2006), as they also agreed that peers play an important role in influencing one's decision to become entrepreneurs.

The university's role in promoting entrepreneurship

Universities are the avenues whereby entrepreneurship education is promoted in order to enhance society's standard of living (Binks, Starkey et al., 2006; Co & Mitchell, 2006). It has been highlighted by Mahlberg (1996), that both universities and schools are the mechanisms to develop the entrepreneurial cultures among students (Autio, Keeley et al. 1997; Landstrom, 2005). Entrepreneurial environment that exists in the universities is the most significant elements which might contribute to the students' entrepreneurial career. Besides, entrepreneurial culture that is developed in the universities is expected to motivate students to engage in business activities. According to Asamani & Mensah (2013), the universities are providing entrepreneurial education that enhances students' skills and values in business. At the same time, it can also reduce the number of unemployment among the fresh graduates.

Needs For Achievement

Achievement motivation can be defined as "a behavior towards competition with a standard of excellence" (McClelland, 1953). The need for achievement and solving a big problem is one of the most powerful motivations for being an entrepreneur (Yimamu, 2018). Johnson (1990) contends that the need for achievement not only can encourage people to join entrepreneurial activity, but simultaneously acts as an effective tool to measure whether an individual is the founder of the company. As an additional note, McClelland (1961) has also come out with a theory regarding the need for achievement, stating that it is the nature of the human being to succeed, accomplish, excel or achieve. Aside from that, Johnson (1990) believes that researches have proven that there is a connection between achievement motivation and entrepreneurship. Be that as it may, Shaver & Scott (1991) state that achievement motivation is assumed to be the only prevalent factor that leads towards venture creation.

Research Methodology

The present study employs a qualitative approach in exploring factors which trigger the university students in UiTM Cawangan Pahang Kampus Raub to be involved in an entrepreneurship activity. An interview session consisting of semi-structured questions is carried out for each student. All interviews are recorded and transcribed verbatim. Questions in the interview have covered their thoughts on the factors which may have led them to participate in an entrepreneurial activity. This study also employs a purposive sampling technique (judgment sampling) to obtain information from the respondents. The judgment sampling technique is used in this study because the persons selected for this study are interviewed based on the justification that they are in the best position to provide the required information. Besides that, they are considered to have an expert knowledge by the virtue of having gone through the experiences themselves.

Table 1: Demographic Profile of the Respondents

No.	Name	Faculty	Age / Part	Product/Service
1	Danish Imran Bin Shamsuri	FSPPP	20 / 3	Lanyard, Ramen, Pop Corn, Biscuits
2.	Arif	FPP	20 / 5	Dates
3.	Amalia Zulaikha	FSPPP	20 / 4	Scarf
4.	Nurul Shazlin Aiman binti Mohd Amin	FPP	19 / 2	Skin Care & Cosmeti (Mask, Scrub and Lop Cream)
5.	Noor Afzan Binti Zaidi	FSKM	20 / 5	Takoyaki, Topup Agent, Kerabu Maggie
6.	Muhammad Aqlan Bin Mohamad Rosli	FSPPP	20 / 4	Chocotum, Chocolate Malt, Cereal Cookies

Findings and Discussion

Role Models

As previously discussed, role models are ‘individuals influencing an entrepreneur’s career choice or styles’ (p. 68). Role models have a vital influence on individuals in determining entrepreneurial careers as they would provide useful business-related information, guidance as well as moral supports (Hisrich, Peters & Shepherd, 2005). Hence, all respondents in this study are asked whether they have someone who influences them to be involved in business.

*I always get some opinions and experiences related to business through meet up sessions, team gathering, entrepreneur class, and network marketing class. All these platforms help and motivate me to do business. For team gathering, normally we meet up at McD or KFC restaurants and there are sharing sessions carried out by leaders and members. We can ask for anything during the session. Besides that, my grandparents motivate me to do business. Other than that, Jack Ma. – **Danish***

*My role model is Rasullullah SAW. In business, we need to help others. Second is my mentor, Dr. Azizan Osman. I gained much information from him where it couldn't be gain at the University. Dr Azizan possesses knowledge related to business and I would like to become like him. – **Arif***

*My role models are Syafiqah Ainaa and Hafiz Mahamad (Founder of Ainaa Beauty). I follow their Instagram and they always show the videos on how their agent starting their business. They want to show us with small capital, we can succeed in the future. Besides that, this is a partnership business. My friends and I always motivate and help each other. – **Amalia***

*I admire with DanLok, an entrepreneur from Hong Kong. I love to listen his motivational video on Instagram. All those videos strengthen my mind to always go better and further. Besides, I always talk about business with my roommate and she helped me a lot during last semester. But the most influential person that makes me involved in the business is my old friend. But we have been already lost contact. – **Nurul Shazlin***

*I have no specific role model. I just follow my interest only. But, involved in business due to the surrounding environment, my auntie sell foods, my grandparents sell cosmetic products since my childhood. – **Noor Afzan***

*Les Brown and Eric Thomas. The best motivational speaker and entrepreneur. Before this, I used to get Uber and Grab services. I prefer the driver is Chinese and most of them have already owned business. I learnt from them. – **Muhammad Aqlan***

Based on the explanation given by the selected university students, it is believed that the majority of them have their own role models. The role models comprise persons who have already succeeded in

business, friends as well as their family members. These persons not only inspire them to do business, but the process of knowledge sharing also occur between the students and their role models.

Furthermore, it is also believed that young entrepreneurs need role models to guide, influence and motivate them in business. Using videos, for instance, these entrepreneurs can learn about the many ways to succeed in business. This statement is supported by Amouri et al. (2016), who claims that people who have already become entrepreneurs are expected to encourage other employees to indulge in the realm of entrepreneurship. Besides that, the findings of the study also show that the students are motivated to run the business while studying mostly because of the help and encouragement from their friends. The most natural way to acquire such tacit knowledge is through observation of others, particularly parents and close friends (Amouri et al., 2016).

In collectivist societies and within a cultural grouping system, the members express a degree of loyalty to their surroundings since they are constantly looked after by their relatives and friends. The prominence of this cultural dimension lies in the fact that some members represent a fundamental form of social organization and are considered as a dominant form of enterprise and a support network (Hofstede, 2001). Prospect entrepreneurs imitate role models of close relatives and feel likely to acquire information from their social networks (Brüderl & Preisendörfer, 1998; Sequeira et al., 2007). The literature on role models has revealed that the element of the reference group, as a social network system, plays a crucial role in fostering members' entrepreneurial intention and in reinforcing their likelihood to the realm of entrepreneurship.

The university's role in promoting entrepreneurship

Yes, UiTM has held several initiatives through MyAgrosis Program. Sometimes, the university also provides an avenue for us to do business. We can sell our products at certain events held by the university. It is a good initiative and I hope that more opportunities will be given so that it will encourage more students to involve in business. – Danish

No, we learn more about theory rather than practical. I think the university should allow students to handle the actual business and customers. We can start with an online business. – Arif

No, I don't think UiTM motivates students to do business since there is no specific platform for students to do business after graduating. Yeah, perhaps it is beyond my knowledge. – Amalia

In my opinion, University is the right place for me to grow my business. There are so many youths in the University and youth normally follow the trend and most of them want to have good skin. I heard Majlis Perwakilan Pelajar is in the midst to organize an entrepreneurship event. Good effort! – Nurul Shazlin

No. There is nothing much help from the University. Yes, there are some activities held by the University to help students to do business, but the exposure is not enough. Why not encourage our students to do business on the campus? – Muhammad Aqlan

Based on the explanation given, it is believed that the respondents have mixed feelings with regards to the role of the university in promoting entrepreneurship. Some of them believe that the university does not encourage them to participate in doing business, mostly due to a lack of awareness regarding the events related to entrepreneurship. However, some respondents believe that the university does encourage them to be involved in business, particularly because several events allow the students to sell their products.

High Need For Achievement

Yes, I always have the passion to try a new thing and assume that it is an achievement in my life and out of my routine life such as charity events and visits. I have a high need for achievement due to my historical background. When I was a child, I need to work harder and find my own money to fulfill my needs and wants. It is not easy for

me to buy toys like other children. Since that, I think me myself to change and struggle in order to get what I want. – Danish

Yes I am. I don't want to waste my time in this life. I don't want to go work in the morning and going back home in the evening. I want to success in life and hereafter. Business is one of Rasullullah SAW's Sunna. – Arif

Yes. I will try my best, in whatever ways in order to increase my sales every month. I won't give up. In business, the ups and downs is normal and I will make sure to get it back on track. – Amalia

I have a High Needs for Achievement. Since I form 5, I sold Frozen Popia and Cash On Delivery (COD) around my housing area. Besides, I sold Nasi Lemak at school during sports day. After SPM, I started temyracle as dropship and I became an agent for lip Cream. Plus, I'm not involved in the business because of profit solely. But I'm happy if I could help a lot of ladies out there who have skin problems. Sometimes, my customers dissatisfied with my product. I won't let it go and I will replace it with a new one. – Nurul Shazlin

Yes. I need to go to Karisma training, I need to take care of my family, and manage my business. I'm studying, and at the same time business and training. I believe busy can make our brain working. – Muhammad Aqlan

Based on the given explanation, it is believed that the majority of the respondents have a high need for achievement. Although they are too busy with their studies, it does not hinder them to keep on doing business. Some respondents are motivated to run the business due to their historical background. They have faced hardship, and they believe that they need to do something to change their destiny.

Conclusion

Nowadays, the number of university students and graduates who opted to consider entrepreneurship to be their future career is increasing from time to time (Lindholm Dahlstrand & Berggren, 2010). Hence, entrepreneurial education and training should be designed and developed more systematically, in both curricula and extracurricular activities. It is strongly recommended that universities play a more proactive role by introducing a special entrepreneurial short course to students, to final year students in particular. This can be served as a preparation for the students whom have emphasized the pre-start and start-up stages of business creation as these are always the most challenging stages when someone embarks on a business venture.

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