



## **Entrepreneurship Education Effectiveness in Higher Learning Institution: A Study on Universiti Teknologi MARA**

**Hardy Loh Rahim<sup>1</sup>, Hardi Emrie Rosly<sup>2</sup> and Zanariah Zainal Abidin<sup>3</sup>**

<sup>1,2,3</sup> Malaysian Academy of SME & Entrepreneurship Development,

Faculty of Business Management

Universiti Teknologi MARA, 40000 Shah Alam, Selangor.

Email: [hardy@salam.uitm.edu.my](mailto:hardy@salam.uitm.edu.my), [hardi@salam.uitm.edu.my](mailto:hardi@salam.uitm.edu.my), [zanar863@salam.uitm.edu.my](mailto:zanar863@salam.uitm.edu.my)

### **ABSTRACT**

**Purpose** – The purpose of this paper is to examine the effectiveness of entrepreneurship education in Malaysia.

**Design/methodology/approach** – This research uses standardised questionnaire approach which obtained 200 responses from university students of University Teknologi MARA (UiTM) using measures are adopted from Rae and Harris (2012).

**Findings** – It is found that entrepreneurship education at UiTM is fairly effective in making students understand about entrepreneurship, developing business ideas and developing skills and knowledge. However, it is still lacking in developing students confidence to start a business. It is also found that education levels and students origin plays a part in the effectiveness of entrepreneurship education in UiTM.

**Research limitations/implications** – Surveys that apply the self-assessment tool do not comprise a representative sample of all students in Malaysia's institute of higher learning. However, research results can be used to give an indication on the general level of effectiveness entrepreneurship education in Malaysia particularly because UiTM is the biggest university in Malaysia and has won the most entrepreneurial university awards for three years running.

**Originality/value** – The results of the research explores the state of entrepreneurship education in Malaysia since there are not many studies done despite its popularity.

**Key Words:** Entrepreneurship, education, entrepreneurship education effectiveness, higher learning institution

## 1. INTRODUCTION

The Malaysian government realised that in order to reduce graduate reliance on the job market for employment, the way is to create self-employment for the graduate through entrepreneurship. To achieve this, the Malaysian government implemented several policies to rapidly develop entrepreneurship in Malaysia. Among them are the New Economic Policy (NEP), the National Development Policy and the New Economic Model. In addition, the Ministry of Education of Malaysia, in line with these policies, launched its own Higher Education Entrepreneurship Development Policy in April 2010 in order to encourage entrepreneurship growth more holistically and be managed better at all institutes of higher learning in Malaysia. An outgrowth of these policies, numerous entrepreneurship programs, specifically training and education programs, were introduced to help entrepreneurship grow – signifying the seriousness of the Malaysian government adopting entrepreneurship as a source of employment (Othman, Othman, & Ismail, 2012). However, despite the policies and the subsequent programs implemented by the Malaysian government, studies done on the effectiveness of these programs are still lacking. Therefore, this paper aims to examine the effectiveness of these programs, particularly the education programs at the institutes of higher learning.

## 2. LITERATURE REVIEW

### 2.1 Entrepreneurship Education

Generally, entrepreneurship education refers to the act of teaching the necessary knowledge and skills to allow an individual establish a new start up. Rahim, Bahari, Abidin, Junid, Kamaruddin, Lajin, Buyong, and Bakri, (2015) have a more elaborate view where entrepreneurship education is referred to as a formalised programme to equip students with entrepreneurship knowledge and skills to understand customers' insights, market needs and recognise business opportunities that encompasses networking skills, idea creation, developing and implementing a business plan, running a business and evaluating the internal and external business environments.

The approach to education varies from one scholar to another. Hytti and O'Gorman (2004) for example, states that depending on the objective, there is a multitude of method by which entrepreneurial knowledge and skills are learned. Methods such as lectures and seminars is perhaps best for knowledge dissemination and understanding while practical experience would probably be best for the immediate creation of entrepreneurs. Regardless of the teaching method, Hytti and O'Gorman (xxxx) agree that

educational institution plays a major role in providing entrepreneurship education. Some scholars are not so flexible. These scholars believe that the best form of entrepreneurial education should revolve around learning by doing. This is where experiential learning (Kolb, 1984), entrepreneurial training (Gibb, 1999), work-related learning (Dwerryhouse, 2001) and action-learning (Smith, 2001) come to play with regards to education methods.

In terms of content, Kirby (2002) indicates that there should an emphasis on the difference between entrepreneurship education and traditional management studies - traditional management knowledge seems to impede entrepreneurship education. Kourilsky (1995) believes that entrepreneurial education is about imparting knowledge on recognizing opportunity, marshalling resources and setting up a business venture while Jones and English (2004) includes the development up innovative plans as part entrepreneurship education as well. Bechard and Toulouse (1998) have a slightly different view but have gone along the vein as Kourilsky. They believe that entrepreneurship education is about formally teaching knowledge that informs trains and educates potential entrepreneurs towards the creation of business and development.

A group of researchers have suggested that entrepreneurship education should start early within the education system (Kourilsky and Walstad, 1998; Stevenson and Lundstrom, 2002; Kroon and Meyer, 2001). Waldmann (1997) in his study on secondary schools, indicated that entrepreneurship education increases the number of students seriously considering starting a business after graduation while Cheung (2008) finds that entrepreneurship education programmes were found to be effective in increasing awareness about business and in developing personal attributes.

## **2.2 Entrepreneurship Education in UiTM**

Universiti Teknologi MARA (UiTM) is one of the biggest universities in Malaysia with 180,000 students attending at 29 branches and satellite campuses all over the country. The university was originally established to help the local Bumiputra get better education and opportunities under an affirmative action program initiated by the government in 1956. Due to the belief that entrepreneurship is one of the avenues to alleviate the living standards of Bumiputras, UiTM has taken measures early in its establishment to ensure that it orientates their education programs towards entrepreneurship. As a result, UiTM has pioneered in initiating many university-wide entrepreneurial related programs which were later on adopted by the Ministry of Education as standard practice in entrepreneurship education in Malaysia. For example, UiTM was the first university to make entrepreneurship as a compulsory subject in its university (Abdul Latif et al., 1996). It was also the first university to have a dedicated centre to oversee and coordinate all

student-related entrepreneurship matters for the university. UiTM's longstanding involvement in entrepreneurship education puts them significantly ahead compared to other universities in Malaysia. Testament to this fact is that UiTM was awarded the most entrepreneurial university for 3 years running since 2012 till 2015 (Rahim, Chik, Bahari, Salleh. & Bakri, 2015); making UiTM the benchmark for entrepreneurial education of an institute of higher learning in Malaysia.

### **2.3 Entrepreneurship Education Effectiveness**

Many scholars such as Gibb (1987), Curran and Stanworth (1989), Block and Stumpf (1992), Young (1997), Cox (1996) and Storey (2000) have discussed at length on the need for evaluating the need to measure the effectiveness of entrepreneurial education. It is safe to conclude that in discussing the effectiveness of entrepreneurship education, one cannot run from including the method of measurement into the discussion. Wyckham (1989) noted that no universally accepted criterion which can be used to evaluate the effectiveness of an entrepreneurship programme has been found yet and proposed that any evaluation should be done at various levels and be done in three ways. First, teachers are evaluated through student evaluation surveys. Second, the knowledge and skills of students are assessed through examination. Finally, after the course has been completed, data on the employment and income status of the graduate participants can be obtained and evaluated.

McMullan et al. (2001) seems to agree on the assessment of any entrepreneurship programs on various grounds but focuses more on the financial implications of the program. First and foremost, the focus should be on the expectation that the net benefit of the program should outweigh the cost. On top of that, any evaluation should include hidden costs along the obvious costs involved in running a program. For example, extra costs might be borne by guest speakers, mentors and unpaid consultants associated with programme delivery. Finally, there should be a realization that there are inherent risks for participants to adopt the advice given by the program, thus opportunity costs should also be included in the evaluation of a particular education program.

Jack and Anderson (1998) developed a five step framework for assessing the effectiveness of entrepreneurship education and training programmes. The model argues for a comprehensive and longitudinal look at the effectiveness of entrepreneurship education, and emphasizes the measurement and impact of different elements of training courses over time from the outset of a programme and even after its completion. The framework takes a comprehensive account of issues such as number of enrolment,

intention to act by the participants after attending the course, number and type of start-ups by the participants, survival and reputation and as far as contribution to society 10 years after establishment.

With respect to studies done in Malaysia, although anecdotally there is interest in trying to measure effectiveness by various parties, the actual number of people that do research in this area is small. In a recent study done was by Cheng et al. (2016) on 300 students from private and public institutions found that education program at universities fail to encourage students to become entrepreneur citing lack of skilled lecturers, inappropriate teaching method and lack of practical training as reasons for the failure. There is also concerned that a significant number of the students do not know what entrepreneurship is despite having subject made compulsory throughout the university education system since the mid-1990s.

All in all, we can safely conclude that there seem to be agreement among the scholars that there is no specific method to measure the effectiveness of an entrepreneurship program while there is a need to do more research on this matter within the Malaysian context.

### **3. RESEARCH METHODOLOGY**

The study adopts face-to-face survey using standardized questionnaire. This resulted in 200 valid responses from Universiti Teknologi MARA students in Selangor. As the survey is done by interview method, 100% response rate is achieved. The study adapted the measures used to operationalize the constructs included in the model from relevant previous studies, making minor wording changes to tailor these measures for this study. The measures are adapted from Rae and Harris (2012). All items were measured using a five-point Likert scale, ranging from 1 = strongly disagree to 7 = strongly agree. The analysis was done using one-way ANOVA method.

### **4. FINDINGS**

The descriptive statistics of the respondents is shown in Table 1. The respondents are Universiti Teknologi MARA students in Selangor, which consist of female (n=127, 63.5%) and male (n=73, 36.5%). Majority are between the age of 22 to 25 years old (n=109, 54.5%). Most of the respondents are single (n=163, 81.5%) and studying in the level of diploma and below (n=89, 44.5%)

Table 1 Sample's characteristics (n = 200)

Variable	Description	N	%
Gender	Male	73	36.5
	Female	127	63.5
	Total	200	100
Age	18 – 21	60	30.0
	22 – 25	109	54.5
	26 and above	31	15.5
	Total	200	100
Marital Status	Single	163	81.5
	Married	37	18.5
	Total	200	100
Education level	Diploma and below	89	44.5
	Degree	88	44
	Postgraduate	23	11.5
	Total	200	100

Table 2 describes the mean value of the entrepreneurship education effectiveness answered by the respondents. The mean value shows that all of the mean values are above average and UiTM is doing well with its entrepreneurship education. Looking closely at the result, it may be concluded that the entrepreneurship education in UiTM is doing very well in imparting knowledge but a bit lacking in developing confidence and entrepreneurial networking among students.

Table 2: Mean Value for Entrepreneurship Education Effectiveness

No	<i>Entrepreneurship Education Effectiveness</i>	<i>(Mean Value)</i>
	The Entrepreneurship Education at my University is able to:	
1	Make me understand about entrepreneurship.	6.20
2	Develop entrepreneurship skills and knowledge.	5.66
3	Assist me in developing business idea.	5.34
4	Help me develop confidence in starting a business.	5.21
5	Facilitate me in meeting entrepreneurial students.	5.20

Table 3 illustrates the entrepreneurship education effectiveness based on level of education. Analysis done proved that there is statistically significant difference of entrepreneurship education effectiveness between levels of education as the Sig. value is less than 0.05. It shows that the higher the education level, the higher entrepreneurship education effectiveness is.

Table 3: Entrepreneurship Education Effectiveness based on Level of Education

No	<i>Level of Education</i>	<i>(Mean Value)</i>	<i>Standard Deviation</i>	<i>Sig. level</i>
1	Asasi	5.27	.71	0.000
2	Diploma	5.45	.58	
3	Degree	5.54	.59	
4	Master	5.98	.56	

Table 4 illustrates the entrepreneurship education effectiveness based on origin. Analysis done proved that there is statistically significant difference of entrepreneurship education effectiveness between origins as the Sig. value is less than 0.05. It shows that entrepreneurship education effectiveness is higher among students from Semenanjung (mean=5.56) compared to those from Sabah (mean=5.22) and Sarawak (mean=5.20)

Table 4: Entrepreneurship Education Effectiveness based on Place of Origins

No	<i>Place of Origins</i>	<i>(Mean Value)</i>	<i>Standard Deviation</i>	<i>Sig. level</i>
1	Semenanjung	5.56	.61	0.041
2	Sabah	5.22	.67	
3	Sarawak	5.20	1.00	

Table 5 illustrates the entrepreneurship education effectiveness based on gender. As the Sig. value is more than 0.05, the analysis proved that there is no statistically significant difference of entrepreneurship education effectiveness between male (mean=5.60) and female (mean (5.48).

Table 5: Entrepreneurship Education Effectiveness based on Gender

No	<i>Gender</i>	<i>(Mean Value)</i>	<i>Standard Deviation</i>	<i>Sig. level</i>
1	Male	5.60	.62	0.203
2	Female	5.48	.63	

Table 6 illustrates the entrepreneurship education effectiveness based on marital status. As the Sig. value is more than 0.05, the analysis proved that there is no statistically significant difference of entrepreneurship education effectiveness between single (mean=5.53) and married (mean (5.46).

Table 5: Entrepreneurship Education Effectiveness based on Marital Status

No	<i>Marital Status</i>	<i>(Mean Value)</i>	<i>Standard Deviation</i>	<i>Sig. level</i>
1	Single	5.53	.59	0.544
2	Married	5.46	.79	

## 5. CONCLUSION

From the perspective of entrepreneurship education effectiveness, results show that there has been statistically significant difference for level of education and the origin where the students come from. On the other hand, the results revealed that there was no statistically significant difference for gender and marital status. With this study, higher learning institutions, especially UiTM, would want to consider its implementation of entrepreneurship education based on the findings, in order to have better effectiveness. If we look upon the result, there is no statistically significant difference on gender and marital status. Therefore, entrepreneurship education is equally effective across gender and marital status. Hence, no differential method is needed. However, there is statistically significant difference on level of education and place of origin. This is the issue that needs to be addressed in order for them to receive equal effectiveness in entrepreneurship education.

## 6. LIMITATION AND FUTURE RECOMMENDATIONS

The limitation of this study is that the respondents are only from Universiti Teknologi MARA (UiTM) Selangor, therefore it could not be generalized neither for students in other universities nor other UiTM branches. As this is an exploratory study, it is recommended that future studies are being done throughout Malaysia and further studies to be made to understand why there is statistically significant difference on level of education and place of origin.

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