

UNIVERSITI TEKNOLOGI MARA

**THE EFFECT OF
ENTREPRENEURSHIP EDUCATION
ON THE ANTECEDENTS OF
ENTREPRENEURIAL
INTENTION AMONG BUMIPUTERA
STUDENTS IN
SARAWAK**

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Disertation submitted in partial fulfillment
of the requirements for the degree of
Doctor in Business Administration

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September 2019

ABSTRACT

Entrepreneurship is seen as the catalyst to the growth of national economy. Realising the need of entrepreneurship, the Malaysian government has adopted a few strategies to promote entrepreneurship, one of which is through the introduction of entrepreneurship education. Much effort and money were spent on these programmes but the pace of entrepreneurial development was still slow especially among the Bumiputeras. At the same time, the unemployment rate among Bumiputera graduates was increasing. In 2016, the total of unemployed graduates for the whole Malaysia stood at 61,969 and 88.5% were Bumiputeras. Sarawak alone accounts for 15,126 which is equivalent to 24.4% of the national count, and 80% are Bumiputeras, a rate which is very worrying. Therefore, the immediate task of the Sarawak Government is to transform these graduates into entrepreneurs. As such, awareness to research on entrepreneurship in Sarawak has increased but most are on entrepreneurial traits, structural support and general factors affecting intention. In this light, there is a clear need to understand what really motivates a Bumiputera student's entrepreneurial intention to choose entrepreneurship. Hence, this research proposes a theoretical model, drawing different stream of thoughts and to provide insight on the effect of entrepreneurship education on the antecedents of entrepreneurial intention of Bumiputera students. A research frame work derived from the Theory of Planned Behaviour by Ajzen (1991) was utilised. Among the objectives are to examine the effect of entrepreneurship education on Bumiputera student's attitude towards entrepreneurship, subjective norm-others, subjective norms-networking, self-efficacy and entrepreneurial intentions. The second objective is to examine the link between the antecedents and the entrepreneurial intentions and thirdly, to identify the critical determinant of Bumiputera students to choose entrepreneurship as a career choice. The study uses final year Bumiputera university students in Sarawak taking entrepreneurship subject as the respondents. The survey questionnaires were distributed to 540 final year students, a total of 422 sets were returned and using SPSS 24.0 to analyse. The result shows that entrepreneurship education has the capacity to effect changes on attitude, subjective norms-others, subjective norms-networking and self-efficacy, however it has also shown to have a weak effect on the entrepreneurial intention of Bumiputera students. Self-efficacy has been identified as the most powerful determinant influencing Bumiputera student's entrepreneurial intention. The weak effect of entrepreneurship education on the entrepreneurial intention implies that it fails to support Bumiputera student's commitment to choose entrepreneurship as a career choice. This was confirmed by the interviews which state that the current curriculum of entrepreneurship education fails to address Bumiputera student's self-efficacy and thus the entrepreneurial intention. The result can be further interpreted that the Bumiputera students find entrepreneurship desirable that is they have the positive attitude towards entrepreneurship but on the other hand they find it as not feasible basically due to low self-efficacy. Hence, it is suggested that there should be more experiential learning and entrepreneurship education to be introduced at the early years targeted to increase self-efficacy and to create a positive entrepreneurial culture. The significance drawn from this study is that entrepreneurship education can now be better understood especially on how it affects each of the antecedents of the entrepreneurial intentions of Bumiputera students. Most importantly, it identifies the sequence and strength of influences on the antecedents so that a better entrepreneurship programmes can be administered.

ACKNOWLEDGEMENT

The seven years journey in writing this dissertation has been a fascinating experience. Many people have contributed to the writing until the completion of this dissertation. Therefore, I want to express my gratitude to all those who are either directly or indirectly contributed to the whole process.

I am very grateful to all the respondents who had invested their time and experiences during the data collection.

I want to thank my supervisors, Dr Ellen Chung Siew Mee and Associate Professor Dr Ling Siew Eng for guiding and giving valuable inputs until the completion of this dissertation.

I would like to thank my wife Priscilla Anne Joseph and children for their relentless support and understanding throughout the completion of this dissertation.

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CHAPTER ONE

INTRODUCTION

1.1 Introduction

It is globally accepted that entrepreneurship is very important to any government because it creates wealth, provides employment and contributes to the nation's economy. Fal, Daniels and Williams (2010) advocate that entrepreneurship creates new businesses by providing employment and generates income for a nation's economy. Authers (1998) reports that entrepreneurship education scored the fastest growing curriculum in US business schools. However, the expansion of entrepreneurship education programmes and participation does not necessarily translate into taking entrepreneurship as a career choice. The depth and adequacy of entrepreneurship depends very much on the level of commitment of the government. Global Entrepreneurship Monitor (2008) reports that out of thirty countries surveyed, only six countries, namely; United States, Finland, Germany, Spain, Ireland and Republic of Korea showed some adequacy of entrepreneurship education in both formal and informal. Finland, in particular, scored the highest level of entrepreneurship with the government commitment throughout its school system (Kyro, 2006). Martinez, Levie, Kelly, Saemundsson and Schott (2010) agree that the unusually positive result for Finland is noteworthy.

Recognising the importance of entrepreneurship, efforts have been made globally to promote entrepreneurship among the youth and university students. This was seen with the increase in commitment of governments and policy makers in developing a wide array of measures to support entrepreneurship. Apart from packaging some fiscal and monetary incentives, one of the main thrusts is the call to the universities and entrepreneurship trainers to play more active role as promoters of entrepreneurship and entrepreneurial new ventures (Guerrero, Toledano and Urbano, 2011). Therefore, universities are encouraged to contribute to the development of entrepreneurs and their participation are oriented toward exploring and developing the unexplored strength of universities and research institutions (Fayolle and Gailly, 2005; Linan and Rodriquez, 2004). These universities are encouraged to develop curriculum that can promote an entrepreneurial attitude and culture among the student and university graduates. The