

Entrepreneurship Empowerment Among Students

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Abstract

This paper attempts to examine the relationship between the Government business support services, personality factors and entrepreneurship empowerment among undergraduate students in Malaysian public universities. Out of 400 questionnaires distributed, a total of 241 undergraduate students participated in the study and Pearson correlation analysis technique was employed to analyze the data. The results indicated Government business support services and personality factors have a moderate significant relationship with entrepreneurship empowerment. The findings supported the arguments raised that both variables have an impact on the undergraduate students' entrepreneurship empowerment program. Finally, some research implications and future research suggestion were also discussed in this paper.

Keywords: Entrepreneurship empowerment, Government business support service

Introduction

Preparing the young graduates for the highly competitive job market is a great challenge to the higher learning institutions all over the world. Nowadays, not only young graduates but almost everyone is facing difficulty looking for the right job to make a living. Leo (2018) revealed that Malaysian institutions of higher learning are producing more than 250,000 graduates annually in a country of about 30 million populations. Surprisingly, 35 percent of young graduates (with majority of them are degree holders) are unemployed. As the number of unemployed graduates continued to increase, amidst an unsteady economic situation, they are facing tough competition in the job market. Shockingly, the statistic also showed the majority of unemployed graduates (50 percent) are from public universities. The situation is seen unchanged much for the past few years. Besides several continuous efforts taken by the government to deal with the issue of unemployment, entrepreneurial initiatives is considered as an effective way out to the unemployment in the country. Meanwhile, entrepreneurship is a practical way of integrating and empowering young people, especially the undergraduate students, into the job market. Moreover, the field is also deemed desirable to increase innovation, raise competition and also respond to the fast-changing economic trends.

Hence, based on the literature review, this study attempts to examine the relationship between the Government business support services (GBSS), personality factors and entrepreneurship empowerment among undergraduate students in Malaysian public universities. This paper is divided into several parts; an introduction, review of the related literature, methodology employed, results and discussion, and conclusion, which include recommendation for future research direction.

Despite several government strategies and program to absorb young graduates into the job market, however the steps taken to eliminate unemployment rate seem less successful thus far. The Malaysian government continuously encourages young graduates to start-up their own business as entrepreneurship able to create many job opportunities for them. Besides that, entrepreneurship is also essential for the national economic growth and regeneration. As such, there is a variety (financial and non-financial) and comprehensive government assistances available for the local small and medium enterprises segment across the country. According to Kuratko (2004), although the creation of business is an essential facet, however entrepreneurship is more that. An entrepreneur is an

individual who always seeking opportunities, taking risks even-though sometimes can be too risky, and willing to push new business ideas through. As an addition, these entrepreneurial characteristics can be cultivated in individuals through appropriate training and skills upgrading programs.

In Malaysia, with an estimated of 100,000 unemployment among graduates (Roha, Muharratul Sharifah & Khairunnisa, 2015), entrepreneurship training program is intended to enable students obtain necessary skills, develop their abilities, capabilities and attitudes for self-employment rather than looking for salaried jobs, which will assist them to start up a new business (*Kementerian Pengajian Tinggi*, 2016). Hence, among others, the main purpose of entrepreneurship development programs in higher education institutions are to empower undergraduate students, irrespective of their academic programs with entrepreneurial skills and characteristics that will encourage them to involve in business and at the same time increase employability among them.

It was reported that employment rate is decreasing year by year (*Kementerian Pengajian Tinggi*, 2016), while in contrast, unemployment rate is higher (Roha et al., 2015). Instead of looking for wage employment, young graduates at the university are advised to come out and create their own job. No doubt, the best way to do this is through their involvement in entrepreneurship activities and development programs. The statistics derived from the Companies Commission of Malaysia indicated an increasing numbers of registered companies in Malaysia. A total of 878,500 companies were established in 2009 and in 2014, the numbers of registered companies surging to 1.1 million. In 2016, the total numbers of registered companies were 1.2 million (the Companies Commission of Malaysia, 2018). The statistics recorded an increase approximately of 30 percent of the registered companies in 2016 compared to the year of 2009. Although the numbers of graduates who own the registered companies are not available, however, judging from the current trend, it is believed that the numbers of young graduates involved in business are not encouraging.

Abbasian and Bildt (2009) defined empowerment is about power to make choices and to act upon these choices that influence an individual's own life. They have also discovered that empowerment is essential to the wellbeing and employability among immigrant women in Sweden, especially those who came from the non-European countries. Being empowerment means an individual feel more confident in their abilities and believe one is able to obtain the resources required to accomplish what they want in life (Connell, 2015). Empowerment programs are carried out by intensifying the level of confident and ability to utilize power, including embracing the power from the environment (Jaya, 2016).

Meanwhile, Johnson (1996) believed empowerment influences decision latitude of an individual and lack of an element may affect the health of this group of people, who are amongst the less fortunate in the country. Ross (2016) explained, to empower young people require the right combination of several factors such as instruments, awareness, and market conditions to begin their business. Research by Howard (1995) indicated that the concept of empowerment has always been used to inspire and encourage employees to take part in improvement efforts, including customer service, at the workplace.

Subsequently, Cornell (2015) discussed three factors how young entrepreneurs can empower themselves. First, they must never expect other to approach and teach them what they wanted to know, but they themselves have to always seek opportunity to learn whenever possible. Second, entrepreneurs have to start off action and don't just for others to give instructions. Third, always look for solution to keep going rather than blaming the setbacks. Meanwhile, Ross (2016) has identified several ways for young entrepreneurs to grasp the digital opportunities that able to promote business growth. First, access to sufficient funding is fundamental to start a business. Second, strong entrepreneur culture, as culture and education are closely related. Third, the authorities have to establish a supportive regulatory business environment. Fourth, young entrepreneurs are exposed to wider development opportunities to enhance their skills. Finally, young entrepreneurs require a good support system such as collaboration with peer, industry and government institutions.

Previous research suggested that the GBSS and entrepreneurs' personality traits as among key factors influencing entrepreneur's success (Amran, Ima Illyani, & Siti Azreena, 2014; Faradillah

Iqmar, Samsudin, & Ali, 2015; Jauriyah, Mohammad Nizam, Abdul Rahman, & Noor Fareen, 2017; Jaya, 2016; Mohamad Basir, Jauriyah, Mohd Noor, Mohd Noor, & Azwardi, 2013; Ross, 2016; Tastan, 2013). Such supports, the GBSS, can be in the form of financial and non-financial assistance (Mohamad Basir et al., 2013; Jauriyah et al., 2017; Ross, 2016). The findings obtained by Mohamad Basir et al. (2013) cited the GBSS positively correlated to the Malaysian small and medium enterprises performance. Meanwhile, in line with the previous findings, Jauriyah et al. (2017) have found the GBSS (both financial and non-financial assistance) positively related to the entrepreneur's success. Similarly, it is believed that the GBSS is crucial to ensure the success of entrepreneurship empowerment among graduates.

Several studies have suggested that certain personality traits are among the factors behind one's achievement in their life. According to Amran et al. (2014), besides favorable economic situation, personality characteristics were proven important in elucidating young students choosing entrepreneurship as their career choice after graduation. Research by Faradillah Iqmar et al. (2015) showed that some personality traits have a positive significant correlation with entrepreneurship empowerment among women in Malaysia. Other findings reveals that an individual's attitudes toward entrepreneurship have an impact to the tendency to be an entrepreneur (Jaya, 2016). The study was conducted on post-migrant workers in West Lombok. Research done in Turkey also discovered that some of the personality traits were found to be positively related with innovative behavior (Tastan, 2013).

Methods

In this research, data were collected using a cross sectional self-administered questionnaires developed purposely for the individual level unit of analysis. The population consists of undergraduate students from three public universities located in northern region of Malaysia. Using proportionate stratified simple random sampling technique, a total of 400 questionnaires was sent to the respondents by surface mail, and 241 usable replies were obtained. The questionnaire is divided into four parts namely entrepreneurship empowerment (seven-item), personality factors (six-item), GBSS (11-item), and demographic factors (eight-item). The Cronbach's alphas for this scales which consist of entrepreneurship empowerment, personality factors, and GBSS are .82, .79, and 0.88 respectively. As such, the scales used in this research have proven to be reliable and valid. The SPSS version 22 for Windows was employed to analyze the data obtained.

Results

The response rate obtained for this study was 60.25 percent. The distribution of respondents by institution indicated that 44 percent from Universiti Utara Malaysia, 31.5 percent from Universiti Sains Malaysia, and 59 percent from Universiti Malaysia Perlis. A total of 59.8 percent of the respondents are female and 40.2 percent are male. Most of the respondents were the students in semester four to six (48.5 percent), 38.2 percent in semester one to three, and 13.3 percent were in semester seven to nine. In term of age, 29.1 percent respondents are between 19 to 21 years old, 37.3 percent between the ages of 22 to 24 years old, and 33.6 percent between the ages of 25 to 27 years old. While 66.4 percent respondents are Malays, 29 percent Chinese, 2.9 percent Indian and 1.7 percent of others races.

Subsequently, Pearson correlation coefficient analysis was employed to examine the relationship between the GBSS, personality factors and entrepreneurship empowerment among students. The results revealed that both variables, GBSS ($r = .496^{**}$) and personality factors ($r = .503^{**}$) have a positive significant relationship with entrepreneurship empowerment. It is indicated that the results obtained are consistent with previous findings (Amran et al., 2014; Faradillah Iqmar et al., 2015; Jauriyah et al., 2017; Mohamad Basir et al., 2013), and suggesting the importance of both external (GBSS) and internal (personality traits) factors to the successful of the undergraduate student's entrepreneurship empowerment program. The Pearson correlation coefficient results are reported in Table 1 below.

Table 1 Pearson's Correlation Coefficient

| | GBSS | personality factors |
|------------------------------|--------|---------------------|
| entrepreneurship empowerment | .496** | .503** |

** $p < .01$ (two-tailed)

Although numerous researches on entrepreneurship empowerment were conducted worldwide (Abbasian & Bildt, 2009; Faradillah Iqmar et al., 2015; Jaya, 2016; Nachimuthu & Gunatharan, 2012), however very few researches were dedicated to the undergraduate student's entrepreneurship empowerment. For this reason, there is a need for this research to fill the research gap that currently exists in this field. Comparatively, the results revealed that personality factors have a stronger relationship with the undergraduate student's entrepreneurship empowerment than the GBSS. The findings demonstrates that personality factors or internal characteristics are one of the main determining factors to the success of the undergraduate student's entrepreneurship empowerment program.

Conclusion

In conclusion, empirical evidence showed a positive and significant correlation between the GBSS and personality factors (independent variables) and undergraduate student's entrepreneurship empowerment (dependent variable). Needless to say, the GBSS and personality factors are among the fundamental elements to the success of this program. The GBSS offers necessary assistance (both financial and non-financial), incentives and encouragement to undergraduate students involved in business, and sustainable entrepreneurship also relies on owners' specific personality traits. Meanwhile, all the agencies concerned should come up with a more comprehensive entrepreneurship empowerment programs targeting undergraduate students while they are still in campus. It may interesting for future research to explore other factors that could influence undergraduate student's entrepreneurship empowerment.

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