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# THE TENDENCY OF UNIVERSITI MALAYSIA TERENGGANU STUDENTS TOWARDS ENTREPRENEURSHIP

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### **ABSTRACT**

Entrepreneurship is one of the sectors that the government focuses on now. This is because Entrepreneurship is the main key in increasing the economic growth of a country by contributing to GDP, stimulating investment, and generating employment opportunities. One of the six strategic thrusts of the National Entrepreneurship Policy 2030 recently launched by the Prime Minister of Malaysia is to cultivate entrepreneurship in all walks of life. This study was conducted in line with the strategic thrust to find out the interest tendencies of Universiti Malaysia Terengganu students towards entrepreneurship. This study was conducted in the second semester of the 2018/2019 session on students who follow the basic subject of entrepreneurship at Universiti Malaysia Terengganu (UMT). Among the objectives of this study is to find out students' interest in entrepreneurship before and after following the basic of entrepreneurship subjects offered at UMT. The study involved 275 students consisting of 58 first year students, 143 second year students and 74 third year students. The results of the study found that before taking this subject as many as 3.3 percent were very disinterested in entrepreneurship, 13.5 percent were not interested, 41.8 percent moderate, 30.9 percent were interested and 10.5 percent were very interested. After following this subject, it was found that there was a change in students' interest to only 1.1 percent very disinterested, 3.6 percent not interested, 20.4 percent moderate, 56.4 percent interested and 18.5 percent very interested. These findings show that this subject can attract students to tend to venture into the field of entrepreneurship.

Keywords: Entrepreneurship, level of tendency, interest, entrepreneurship subject

## INTRODUCTION

Entrepreneurship is one of the sectors that the government focuses on now. This is because Entrepreneurship is the main key in increasing the economic growth of a country by contributing to Gross Domestic Product (GDP), stimulating investment, and generating employment opportunities. These entrepreneurial activities have a huge impact on the development of the country, especially Malaysia. According to the Ministry of Entrepreneur Development (2019) the main impact that can be seen is the contribution to the strengthening of the country's economy. In 2017, SMEs recorded higher GDP growth of 7.2% compared to 5.2% in the previous year, outpacing overall GDP growth of 5.9%. This has increased the contribution of SMEs to total GDP from 32.2% in 2010 to 37.1% in 2017. Apart from that, enterprises in Malaysia also contributed export value of RM 167.4 billion in 2017 (17.3%) of total export value). The value of these exports was largely contributed by three (3) main sectors namely agriculture (48.1%), manufacturing (7.8%), and services (6.7%). Entrepreneurial activities in Malaysia can also strengthen the socio -economic level of various sections of society, including women, youth and the less fortunate. In terms of socio -economic empowerment of women, 364,052 women entrepreneurs have benefited from various entrepreneurial initiatives and supports such as financial support, training and business infrastructure throughout 2017. These initiatives and supports are important to support 186,930 women -owned enterprises comprising 20.7% of the total enterprises in Malaysia. Enterprises in Malaysia also generate approximately 9.9 million job opportunities which account for 66% of the total job opportunities in Malaysia. Nevertheless, most of the employment opportunities offered by entrepreneurial activities in Malaysia are unskilled workers and have a high dependence on foreign workers. 16% of the total workers in Malaysia are foreign workers involved mainly in the agriculture, plantation, and construction sectors (Labor Force Survey, 2016) in DKN 2030.

One of the six strategic thrusts of the National Entrepreneurship Policy 2030 recently launched by the Prime Minister of Malaysia is to cultivate entrepreneurship in all walks of life. Recognizing the importance of this field of entrepreneurship, the Malaysian government has implemented the field of entrepreneurship in the national education system. The application of this field in the education system aims to create a society that creates jobs and not job seekers (Zaidatol et al., 2002) in addition to providing students with early exposure to entrepreneurship and attract their interest to venture into this field. This is very timely in an effort to boost

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the job market to reduce unemployment, especially among graduates (Muhammad Suwardi & Lingaswaran, 2017). According to Norita et al., (2010) entrepreneurship education from an early stage in the long run can arouse individual interest in entrepreneurship naturally through a continuous dynamic process. The application of this education is very important because many people still do not see this field of entrepreneurship as a career opportunity that needs to be ventured into. Ronstadt (1985) believes that most human beings including an entrepreneur have never thought of making entrepreneurship their career. Only a handful of entrepreneurs will know it when they enter college and make entrepreneurship the main goal of their lives. The rest start a business after graduation and the majority who become entrepreneurs are those who work with someone without involvement in the field of entrepreneurship. Thus, Ronstadt sees that the field of entrepreneurship is a very suitable career prospect to be chosen by a student who is about to graduate.

#### LITERATURE REVIEW

In general, entrepreneurship is a term used to describe the process by which human beings identify opportunities to meet needs and gather all resources to achieve those goals (Kinzer, 1973). However, Casson (1985) asserts that the concept of entrepreneurship is a point to explain that those abundant resources are not controlling wealth but the way in which those resources are managed is more important in controlling wealth. Gibbs (1972) who is an academic figure put forward a model of entrepreneurship called the model of social development. In this model, the processes that a person goes through as well as the social relationships that a person makes motivate them to get involved in the business.

According to Aziz and Zakaria (2004), these entrepreneurial characteristics cannot be inherited and an individual is not born an entrepreneur. A person can become an entrepreneur when they go through on their own the various processes found in entrepreneurial development. Therefore, to be an entrepreneur it requires interest and skills in the field to be ventured into. Entrepreneurs need to adopt and appreciate the characteristics of entrepreneurs as holdings, views and struggles in the future. The characteristics of entrepreneurs referred to here are hardworking, optimistic, have a good work culture, motivated, able to organize ideas, responsible, profit-oriented and quality (Sarebah Warman et al., 2010). Through continuous practice of all these characteristics, then the entrepreneur will continue to be enthusiastic and highly confident and have clear goals. In addition to having the characteristics of a motivational entrepreneur is the motivator to the will and desire to succeed or to achieve something (Saedah et.al 1996). According to him, motivation can also be said as a plan for one's success to avoid failure.

Entrepreneurship education is one of the important mechanisms for preparing students towards the modern economy, where business skills become essential (Keogh and Galloway (2004). Entrepreneurs are not born naturally or they cannot be inherited because they are not influenced by genetic factors, however entrepreneurship can be formed from a young age through the education system and family support. This statement is supported by Zaidatol (1997) and Aziz and Zakaria (2004). According to Zaidatol (1997), that formal education is very important for an entrepreneur with a high level of education According to a study conducted by Carter and Collinson (1999), institutes of higher learning play an important role in providing entrepreneurship education. formal form in mengg encourage entrepreneurial activities among students. According to Nor Aishah (2002), entrepreneurship education plays a role in identifying and shaping and influencing children who have the potential or characteristics of entrepreneurship to become entrepreneurs.

#### PROBLEM STATEMENT

Nowadays, the field of entrepreneurship still has the view that this field of entrepreneurship cannot provide guarantees to the future as does salaried work either in the private or public sector (Sarebah et al., 2010). This situation occurs due to the lack of exposure to this field of entrepreneurship, especially among students. Exposure to this element of entrepreneurship is important in attracting students to venture into the field of entrepreneurship. If there is no interest, it will make it difficult for the student or individual to survive in this field. Interest and encouragement are important factors in the success of an entrepreneur. As noted by Scoot et al. (1988), among the factors that influence entrepreneurial aspirations are such as interest, knowledge and attitude towards entrepreneurship and career in small business.

In the education system in Malaysia, the government under the Ministry of Higher Education has introduced the Higher Education Institutions Entrepreneurship Development Policy which was launched on 13 April 2010 which aims to promote entrepreneurship education and development among students more organized and holistic (Abdul Said, 2012). This effort is further strengthened through the introduction of the New Module of the Basic Entrepreneurship Course of the Institute of Higher Education which was introduced starting the 2017/2018 academic session. The emphasis on entrepreneurship is in line with the first leap to produce holistic, entrepreneurial and balanced graduates in line with the Malaysian Education Development Plan (Higher Education). This new module will be used as a compulsory subject at the university and this effort is also to train students to be 'more entrepreneurial' thus preparing to face the increasingly challenging world (Idris Jusoh, 2017).

Based on the efforts carried out by the government and MOHE, it clearly shows their determination to increase the field of entrepreneurship to improve the country's economy and overcome the problem of unemployment, especially among students. Universiti Malaysia Terengganu is also not behind in improving this aspect of entrepreneurship with the opening of the Entrepreneurship and Career Center (CEC) since 2010. It was established to be a platform for UMT students in producing knowledge -based entrepreneurs through education and various programs for cultivating, developing and strengthening entrepreneurship that are planned and holistic. The center also provides a conducive environment and ecosystem for the development of entrepreneurship as a center for consulting, research in the field of entrepreneurship at the national and international levels. In addition, UMT also

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requires all students to follow the Basic Entrepreneurship subject to change their perception so that they not only work in the field they are involved in but have a mindset and interest in entrepreneurship. It is in line with the government's aspirations in producing more entrepreneurs, especially among students.

However, in realizing this field of entrepreneurship and making a person an entrepreneur one of the main factors is interest. If this interest has existed, it will smooth all the way until they become successful entrepreneurs. Therefore, the problem of this study is to examine the extent of interest of students at the University of Malaysia Terengganu who take the basic subject of entrepreneurship to become entrepreneurs before and after following this subject. In addition, this study examines their perceptions of the importance of this subject as well as the obligation of this subject to all students.

#### RESEARCH METHODOLOGY

According to Berg (2004), quantitative research refers to the counting and measurement of something. In contrast to qualitative research which refers to the meaning, concept, definition, characteristics, metaphors, symbols and descriptions of something. Quantitative design is suitable for descriptive studies while studies that aim to make an explanation, experimental design is suitable for use (Robson, 2011). Therefore, the design of this study used a quantitative design approach through survey method. According to Chua (2006), survey research is one of the popular non -experimental research methods used in various fields especially in the social sciences. In the context of this study, quantitative research methods are used to answer all the objectives.

According to Wiersma (1995) this method is one of the good methods if the study is a study that wants to measure or evaluate the attitude, perception, achievement and involvement of something. Descriptive form is also used in line with the needs of the study that is to see a phenomenon that is happening (Mohd Majid Konting 1990). Thus, a set of questionnaires was prepared for that purpose which was constructed by the researcher based on the literature review to achieve the objectives of the study. Tuckman (1999) stressed that the questionnaire is an effective way to obtain information from respondents. The use of questionnaires can save the cost of the study and is effective when it involves a large amount of data and a large sample size.

The study sample or respondents consisted of UMT students who took the basic subject of entrepreneurship in the second semester of the 2018/2019 session. Financial and time constraints prevented researchers from conducting studies on all UMT students. Thus, sample selection was made through cluster sampling method. Based on the number of student registrations in the semester, a total of 956 students followed this basic subject of entrepreneurship. Thus, sample selection was made through cluster sampling method. To determine the number of respondents, Krejcie and Morgan's (1970) Sample Size Determination Table was used. The sample size for this study was 275 people based on Krejcie and Morgan's (1970) Sample Size Determination Table.

#### FINDINGS AND DISCUSSION

#### Respondent's profile

Table 1 shows the overall profile of the respondents involved in this study based on gender and current year of study at UMT. For this study, the researcher did not determine the number of respondents by faculty because the number of students who registered by faculty was not the same. Therefore, it will be difficult to make an analysis later.

Of the 275 respondents who were interviewed, 22.9 per cent were male and 77.1 per cent were female. This finding is in line with statistics released by the Ministry of Higher Education (2017) which states that 61.8 percent of the 175,771 total students admitted to Public Universities are female (Astro Awani, 2017). In addition, these findings also show that the highest employment of parents of respondents which is 27.3 percent is self-employed followed by employment from the government sector. The lowest respondent's parent occupation was that of a trader.

Ite	em	Frekuensi	Peratus	
Gender	Male	63	22.9	
Gender	Female	212	77.1	
	Goverment	65	23.6	
	Private	55	20.0	
Domanta accumation	Business	19	6.9	
Parents occupation	Self-employed	75	27.3	
	Retired	35	12.7	
	Others	26	9.5	

TABLE 1. Demographic Profile of Respondents

From these findings, most respondents were female and only 6.9 per cent of respondents 'family backgrounds were traders.

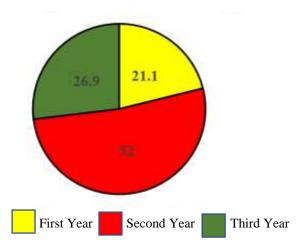


Figure 1: Number of respondents by year of study

Figure 1 shows the number of respondents by year of study. Of the 275 respondents, 52 percent were second year students, followed by 26.9 percent third year students and 21.1 percent first year students.

#### Interest in the field of entrepreneurship before and after taking the subject of entrepreneurship

Figure 2 shows the tendency of respondents' interest in entrepreneurship before and after following the basic subject of entrepreneurship at UMT. These findings indicate that there is an increase in terms of respondents' interest before taking this subject and after taking this subject. The number of highly interested respondents increased from 10.5 per cent before taking the basic subject of entrepreneurship to 18.5 per cent after taking this subject. The most significant percentage is at the level of interest, from 30.9 percent who were interested before taking this subject to 56.4 percent who were interested after following the basic subject of entrepreneurship. The number of respondents who were very disinterested dropped from 3.3 per cent before taking the subject to 1.1 per cent after taking the subject and not interested 13.5 per cent before taking the subject to 3.6 per cent after taking the subject taking this skinny.

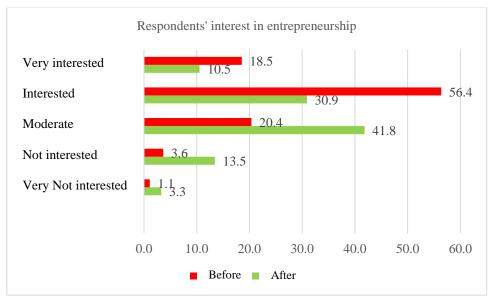


Figure 2: Respondents' tendency before and after taking the basic subject of entrepreneurship

# Tendency of Respondents' Interest Towards Entrepreneurship by Year of Study Before Taking the Basic Subject of Entrepreneurship

Table 2 shows the tendency of respondents' interest in entrepreneurship according to the year of study before they took the basic subject of entrepreneurship at UMT. Of the 58 respondents of year one of study, there were two 27 people were in the medium category of interest, 13 were interested and 11 were very interested while only two were very disinterested and five were not

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interested. For year two, which is the most popular category of respondents, namely 143 respondents, 60 people are in the medium interest category and the lowest is in the very uninterested option, namely two people. While for the third-year respondents, out of 74 respondents 28 people were in the medium and interested option. Only five people in the category were very uninterested and four people were not interested before pursuing the basic subject of entrepreneurship at UMT.

Table 2: Tendency of Respondents' Interest Towards Entrepreneurship by Year of Study Before Taking the Basic Subject of Entrepreneurship

Years of study		Entrepreneurial Interests Before attending the class					Total
		Very uninterested	Not interested	moderate	Interested	Very interested	
Years of study	First	2	5	27	13	11	58
	Second	2	28	60	44	9	143
	Third	5	4	28	28	9	74
Total		9	37	115	85	29	275

# Tendency of Respondents' Interest Towards Entrepreneurship by Year of Study After Taking the Basic Subject of Entrepreneurship

Table 3 shows the tendency of respondents' interest in entrepreneurship after following the basic subject of entrepreneurship at UMT. For the respondents in one study, out of 58 respondents, 30 were interested and 14 were very interested. The number of respondents who were very uninterested was none and those who were not interested were only four compared to five people before following this subject. For the second year respondents, 87 respondents were interested, 24 people were very interested and 29 people were moderately interested. The number of respondents who were very disinterested was also non -existent and only three were disinterested. Respondents in the third year of study also showed changes from before following the basic subject of entrepreneurship. Of the 74 respondents, 38 were very interested and 13 were very interested. The total for the very disinterested and disinterested categories was only three people.

Table 3: Tendency of Respondents' Interest Towards Entrepreneurship by Year of Study After Taking the Basic Subject of Entrepreneurship

Year of Study		Entrepreneurial Interests After attending the class				Total	
		Very uninterested	Not interested	moderate	Interested	Very interested	
Years of study	First	0	4	10	30	14	58
	Second	0	3	29	87	24	143
	Third	3	3	17	38	13	74
Total	ı	3	10	56	155	51	275

## CONCLUSION

The results show that the basic subjects of entrepreneurship at UMT can cultivate students' interest to venture into the field of entrepreneurship. There was a significant increase among students towards interest in the field of entrepreneurship before and after pursuing this subject. It can be concluded that this basic subject of entrepreneurship is able to attract students to become an entrepreneur and this is in line with the government's desire to produce more entrepreneurs from among students. Interest is an important factor in becoming an entrepreneur. With a deep interest it will give birth to long -term entrepreneurs and have high resilience. Therefore, the subject of introduction to entrepreneurship at the level of Institutions of Higher Learning, whether public or private, is important to produce students who are not only interested in entrepreneurship but also to produce students who have an entrepreneurial mind.

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