

Malaysian Community College Students Propensity to Venture into Entrepreneurship

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Abstract

This study was conducted to identify the tendency of community college students choosing entrepreneurship as their career. The sample selected across the entire study population was composed of 103 final year students of Malaysia Community College. Four aspects of the study are to identify students interests, the characteristics of entrepreneurs, entrepreneurial knowledge and constraints faced by the students involved in entrepreneurial career. The approach used to collect data through questionnaires. The data collected was analyzed using descriptive statistical analysis using SPSS 15.0 (Statistical Packages for Social Science). Results showed that students have a high propensity for entrepreneurship and entrepreneurial features high in them. However, for entrepreneurship students have a moderate knowledge of entrepreneurship and constraints for high entrepreneurship. Therefore, it is suggested that collaboration between government agencies involved in entrepreneurship, parents, community and community colleges can be strengthened to help encourage students to venture into entrepreneurial careers.

Keywords: entrepreneurship, students interests, characteristics of entrepreneurs, entrepreneurial knowledge, constraints

1. Introduction

Entrepreneurship is defined as the overall attitudes, values, knowledge and skills that enable a person to be able to find, identify and seize the opportunity and translate its strategies and business efforts for economic benefit and profit (Bardai, 2000; Duval-Couetil, 2013; Spinelli & Adam, 2012). Drucker (1996), in turn defines the entrepreneur as a person capable of transferring economic resources from the sector that lack productivity to the sector with higher productivity. The word entrepreneur is becoming popular in Malaysia in the mid-1970s in which the formulation and implementation of the New Economic Policy (NEP) was implemented and becoming more popular when Malaysian began to face the problem of unemployment among graduates.

The formation of a competitive and world class entrepreneur is a challenge in human resource development (Bosma & Levie, 2010; Getz & Petersen, 2005; Gompers et al., 2010). Malaysian government has provided a variety of programs and incentives to create competent entrepreneur, dynamic and possessing good business practices specifically to provide opportunities and comprehensive facilities to all segments of society. According to the Tenth Malaysia Plan, the government has been focusing on the development of human capital to emphasize on the help and support to increase the youth participation in the Small and Medium Enterprises (SMEs) and high-level enterprises (Economic Planning Unit, 2010). This clearly shows the government's determination to strengthen the entrepreneurial culture among the youth.

However, the graduates today are reluctant to choose entrepreneurship as a career (Greene, 2012; Potter, 2008). They still think that entrepreneurship does not guarantee their future as those that can be gained from working in the public or private sector. Therefore, it was not surprising that the number of unemployed youths in Malaysia, especially the indigenous group reached 36,000 as of December 2009 (Ministry of Human Resources, 2009). If the problem were not to be contained, the unemployment problem would become worse in the event that career focus were solely on the public and private market that had become ever more limited. The students need to be exposed and encouraged to enter the field of entrepreneurship from an early stage, starting from the educational institutes (Dabbagh & Menasce, 2006; Mellor, 2008).

Community colleges are institutions that provide education opportunity, training need and skill to all local

communities before going to the labour market through education and technical training and vocational and lifelong learning (Department of Community Colleges, 2010). In addition, community colleges also focused on the needs of the local community in order to reduce the migration of rural youth to urban areas in search of jobs. Through the knowledge and skills learned indirectly provide opportunities for youths to work on their own with the opening of entrepreneurship through business premises such as repairing motorcycles, televisions, computers and so on. Even the role of community colleges in the development of entrepreneurship become increasingly important and has the potential to provide a more meaningful way to students, employers and the local community.

Globally, community college is a platform that is responsible in providing human resource training and entrepreneurship in the effort of developing national economy (NACEE, 2013). This is in line with Malaysia's vision of community colleges as centres of excellence in the fields of technology, business and industrial services, and responsible to produce graduates who are competent, honourable and responsible in line with the national education philosophy (Department of Community Colleges, 2010). Various efforts have been undertaken by the government in promoting entrepreneurship among students. The characteristics of entrepreneurs and students knowledge about entrepreneurship should be noted besides exposing them to business opportunities that should be seized (Kuratko, 2012; Oakey et al., 2002; Von Graevenitz et al., 2010). Constraints that are faced to be involved in entrepreneurship should be studied and solved. Hence this study was undertaken to: (i) identify the tendency of students to become entrepreneurs, (ii) identify the characteristics of entrepreneurship that is presence on students, (iii) identify the level of entrepreneurial knowledge possessed by students and (iv) identify the constraints faced by students in participation as entrepreneurs.

2. Method

Descriptive research using questionnaires as research instruments were used in conducting this study. Descriptive study is selected because of its comprehensive characteristics regarding the issues or problems, fast data collection, the use of large sample sizes, the information collected directly from respondents in a short time and the results of this study can be generalized to a certain population study (Check & Schutt, 2012; Cohan et al., 2011). Even the survey was able to measure the variables to be measured from a large sample size with high precision and a small sampling error (Kumar, 2011). A total of 103 final-year students at Malaysia Community Colleges have been involved as a sample in this study representing the entire study population. For the purpose of getting high validity and reliability, the number setting of samples are based on Krejcie and Morgan sample size determination schedule (1970), where if the population size is 140, the minimum sample size used is 103. This study used questionnaires in the form of five-point Likert scale (1 = strongly agree; 5 = strongly disagree) and for gathering information, the researchers have distributed themselves the set of questionnaires to students. By this method, the researchers can explain to respondents the method used to answer the survey form. In determining the content validity of the questionnaire built, the service of three experts from Community College lecturers has been used. Level of reliability of questionnaires was obtained by conducting a pilot study before implementing the actual study. A pilot study was conducted on 30 students ranging from actual samples of the study. Data from 30 samples was analyzed using SPSS through *Reliability Analysis-Scale Alpha Cronbach*. According to Numally (1978), the alpha value of 0.70 to 0.90 is an acceptable range of values that enable the instrument to be used in the research. Overall Cronbach Alpha values obtained for each item is 0.8 to 0.9, this means that the instruments used are valid and appropriate. The data obtained were analyzed to get the mean value using Statistical Package for the Social Sciences (SPSS) version 15.0.

3. Results

The findings on the tendency of students to venture into entrepreneurial careers are presented through Table 1. In total the students have a high propensity to become an entrepreneur.

Table 1. The tendency of students to venture into entrepreneurship

No.	Item	Mean	Standard deviation	Interpretation
1	I prefer to be self-employed compared to being wage earner	3.92	0.957	High
2	I would like to have my own business	4.18	0.988	High
3	I plan to venture into entrepreneurship	4.11	0.839	High
4	I like to do something that can bring financial gain	4.44	0.904	High
5	I like to follow a story related to a person's success in entrepreneurship	3.98	0.980	High
6	I'm always looking for information on entrepreneurship in mass media such as the internet, magazines, and newspapers	3.56	0.946	High
Total		4.03	0.661	High

While the findings of the study on the characteristics of entrepreneurial owned by the students to venture into entrepreneurial careers are presented by Table 2. Besides the tendency to venture into entrepreneurship, the students are also found to possess high entrepreneurial characteristics in themselves.

Table 2. Entrepreneurial characteristics possessed by students

No.	Item	Mean	Standard Deviation	Interpretation
1	Competition motivates me to work harder	4.15	0.821	High
2	I am willing to face risk in order to achieve success	4.17	0.830	High
3	Failure motivated me to keep trying	4.17	0.830	High
4	I am responsible for the tasks assigned to me.	4.28	0.706	High
5	Time management is very important for me when doing a job	4.35	0.776	High
6	I always make a plan before doing any work	4.20	0.784	High
7	I'm ready to add the skills, ability and knowledge to venture into entrepreneurship	4.30	0.739	High
Total		4.23	0.597	High

Results of the analysis findings regarding the knowledge possessed by the students regarding entrepreneurship is as shown by Table 3. The results of the analysis show that the students generally possess and average level of entrepreneurship knowledge.

Table 3. Entrepreneurial knowledge possessed by students

No.	Item	Mean	Standard Deviation	Interpretation
1	I know how to prepare a business plan.	2.21	0.839	Low
2	I know the risk that would be faced by an entrepreneur.	4.06	0.861	High
3	I know the skills that are needed to be an entrepreneur.	3.87	0.893	High
4	I know the government agency that is involved in business capital financing.	2.25	0.837	Low
5	I know the government agency that is involved in advisory and business training.	2.15	0.879	Low
6	I know the type of business ownership that exists in Malaysia	3.47	0.905	Moderate
7	I know that the environmental influence plays an important role in the selection of the business type.	3.88	0.820	High
Total		3.13	0.597	Moderate

Constraints faced by the students to become entrepreneurs were also analyzed and presented through Table 4. Overall, it was found that the students faced high constraints when venturing into entrepreneurship.

Table 4. Constraint in venturing into entrepreneurship

No.	Item	Mean	Standard Deviation	Interpretation
1	I have no basic knowledge in the business world	4.21	0.839	High
2	My family kept me from going into business	1.62	0.861	Low
3	I do not know how to get capital assistance to start a business.	4.33	0.893	High
4	I feel that my age is too young to be an entrepreneur.	2.11	0.837	Low
5	I lack confidence to start my own business.	4.13	0.879	High
6	I lack the skills to manage my own business.	4.23	0.905	High
7	Being involved in entrepreneurship disturb my daily schedule	2.93	0.820	Low
Total		3.36	0.398	High

4. Discussion

4.1 Students Tendency to Be Involved in Entrepreneurship

The findings show that the tendency level of Malaysia Community College's students to be involved in entrepreneurship as a whole is high. The majority of students tend to become entrepreneurs. Tendency for students to become entrepreneurs who have gotten the most positive feedback by respondents are they likely to do something that can bring financial gain. A successful entrepreneur is certainly willing to run the risk of making a change or jobs that can bring profits. Tendency for students to become entrepreneurs can also be seen from their high feedbacks to own their own business. This is in line with the college's intention to produce promising entrepreneur and students with the ability to start their own business after graduation. Oakey et al. (2002) argues, students' participation in entrepreneurship can provide a big impact on a country's industrial development.

The students are also found to have high interest and plan to venture into entrepreneurship. This is in line with the Ministry of Entrepreneur and Cooperative Development (MeCD) to encourage people to make entrepreneurship as a career option. The government also sought to reduce unemployment and increase employment opportunities for the graduates by encouraging them to become entrepreneurs (PUNB, 2013). Therefore, based on the arguments presented, it can be concluded that the final year students of Malaysia Community College has a high propensity to become an entrepreneur.

4.2 Entrepreneurial Characteristics Possessed by Students

The majority of respondents agreed that they have the characteristics of entrepreneurship in them. Entrepreneurial characteristic that have the highest feedback are characteristics regarding systematic planning. According to Von Graevenitz et al. (2010) an entrepreneur who is able to make a good and systematic planning in order to achieve business goals has a high potential for success. He added that good planning taking into account the internal analysis (strengths and weaknesses), the external analysis (opportunities and threats) and detailed information.

Malaysia Community College students also have the entrepreneurial characteristics of high ability to find information. According to Duval-Couetil (2013) attributes to become a competent entrepreneur is a tendency to make informed decisions to achieve goals or solve business problems. In fact, an entrepreneur should be wise in finding and filtering information for business benefit. Potter (2008) also agreed and said that entrepreneurship is closely related to global economy changes that are growing and changing rapidly, hence it is necessary for an entrepreneur to possess the features and the ability to use information that is useful to be able to survive in this industry.

Commitment to the work agreement is also among the important characteristics of entrepreneurship and has a high value feedback from the respondents. Commitment to an agreement is one of the positive values that are able to encourage the success of an entrepreneur. A committed entrepreneur would be able to give priority to

ensure the task is completed in accordance with the agreement and take full responsibility for any problems with the customer (Kuratko, 2012). On the whole it can be concluded that the final year students Malaysia Community College has high entrepreneurial characteristics in them.

4.3 Level of Entrepreneurial Knowledge Possessed by Students

Level of entrepreneurial knowledge possessed by final year students of Malaysia Community College on the whole is average. However, there are some question items that have high knowledge value which includes knowledge regarding the risk that would be faced by the entrepreneurs, skills needed to become an entrepreneur and also knowledge about the influence of the environment that plays an important role in the selection of the type of business.

Knowledge of the risk to be taken by an entrepreneur is important and courage to take risks need to be balanced with the knowledge and understanding of how to assess and manage the risks involved (Spinelli & Adam, 2012). Knowledge of an entrepreneur should also cover all aspects of the business, including human resources, capital, products, markets, supplies, equipment and technology (Kuratko, 2012; Spinelli & Adam, 2012). Skills needed to become an entrepreneur are also important in determining the success of any business carried on (Deakins & Freel, 2012).

However, there are also items that have a low value of knowledge among students, which includes the knowledge to prepare business plans, government agencies involved in business capital financing, and government agencies involved in business advisory and training services. Verily the knowledge and experience should go hand in hand. Thus, the knowledge to start and improve the business should be learned to create a more competitive young entrepreneur. Entrepreneurial knowledge will help the entrepreneurs to develop their business, helping entrepreneurs take advantage of a good business opportunity and increase their self-confidence (Hatten, 2012).

4.3 Level of Constraints to Venture into Entrepreneurship

Constraints faced by the students to venture into entrepreneurship as a whole is high. Internal constraint faced by the students such as lack of self-confidence, lack of knowledge on how to gain business capital, lack of business management skills and no basic knowledge in business are high.

These constraints can be overcome if the students are exposed by agencies that could aid them as a young entrepreneur. The community college should play a role in opening students' minds to their potential and business opportunities that should be grabbed. This is consistent with the statement of Greene (2012) which states that to start and expand a business, an entrepreneur needs to find, evaluate and choose a viable business opportunity, have to have a vision of themselves, and be able to gather information resources, knowledge and entrepreneurial skills.

However, the majority of respondents are found not to face external constraint that is from the family. The students do not face any obstacles from the family if they are serious about going into business. Family supports play an important role and influence the entrepreneurial career development that is ventured by the entrepreneur (Getz & Petersen, 2005; Zahra et al., 2004). Overall, the students face high internal constraints that are regarding self-ability to venture into entrepreneurship and low external constraints that is obstacles from the family.

5. Conclusion

Overall findings of the study found that the final year students of Malaysia Community College have a high propensity to become an entrepreneur. In addition, the study also found that students have the characteristics of entrepreneurship in them. However, to venture into entrepreneurship the students have moderate knowledge of entrepreneurship and high constraints to venture into entrepreneurship.

Malaysia Community College can help the students enhance their knowledge of entrepreneurship by organizing entrepreneurial programs involving cooperation of government agencies involved in the financing business capital, advisory services and business training to students. Entrepreneurship Course organized by the Ministry of Higher Education Malaysia (MOHE) can also be established at Community College so that the students can be exposed to the basic skills of entrepreneurship. KPTM side can enhance the entrepreneurship modules to encourage community college graduates to venture into entrepreneurship. Entrepreneurship module must be added to the current knowledge elements of the agency that provides business capital and business advisory services and training. In fact, aspects such as self-confidence skills, punctuality, enthusiasm and creativity can also be inserted in the module.

Students should also gain knowledge on the characteristics of entrepreneurs and career information as

entrepreneur to help the students evaluate their potential to become entrepreneurs. The student should receive disclosure of the risks that lie ahead, and to strengthen the skills of entrepreneurship. Armed with adequate knowledge and skills, are expected to train student interest and creativity in enhancing the country's productivity and contribute to the national economy.

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