Entrepreneurial Intention and Social Entrepreneurship among Students in Malaysian Higher Education

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Abstract—The recent instability in economy was found to be influencing the situation in Malaysia whether directly or indirectly. Taking that into consideration, the government needs to find the best approach to balance its citizen’s socio-economic strata level urgently. Through education platform is among the efforts planned and acted upon for the purpose of balancing the effects of the influence, through the exposure of social entrepreneurial activity towards youth especially those in higher institution level. Armed with knowledge and skills that they gained, with the support by entrepreneurial culture and environment while in campus; indirectly, the students will lean more on making social entrepreneurship as a career option when they graduate. Following the issues of marketability and workability of current graduates that are becoming dire, research involving how far the willingness of student to create social innovation that contribute to the society without focusing solely on personal gain is relevant enough to be conducted. With that, this research is conducted with the purpose of identifying the level of entrepreneurial intention and social entrepreneurship among higher institution students in Malaysia. Stratified random sampling involves 355 undergraduate students from five public universities had been made as research respondents and data were collected through surveys. The data was then analyzed descriptively using min score and standard deviation. The study found that the entrepreneurial intention of higher education students are on moderate level, however it is the contrary for social entrepreneurship activities, where it was shown on a high level. This means that while the students only have moderate level of willingness to be a social entrepreneur, they are very committed to create social innovation through the social entrepreneurship activities conducted. The implication from this study can be created social innovation through the social entrepreneurship activities conducted clearly affects the longevity of better social responsibility (CSR) to high-impact social entrepreneurship in the education plan at the community life especially for third world countries. Malaysia is not left behind in propagating this activity especially to youth who are interested to be entrepreneurs. Early emphasis at tertiary level is believed conducive to stimulate their minds and attitudes to be more creative in product creation or services which is able to benefit and enhance the lives of those who are marginalized.

The government is actively seeking the best approach from the root level to balance the longevity of socio-economic status of its citizens, beginning with the New Economic Policy (NEP) until the National Transformational Policy and the recent 2016 Budget. Through the establishment of the social entrepreneurial unit under the Malaysian Global Innovation and Creativity Centre (MaGIC), social entrepreneurs can take advantage of easy financing, skill and discussion services which are offered. Apart from that, the cooperation of Government Linked Corporation (GLC) and other private firms are involved in performing their corporate social responsibility (CSR) to high-impact social entrepreneurial projects.

Social entrepreneurial conduct is traceable since the establishment of cooperation and Ikhtiar Project in 1986 in Malaysia. Nevertheless, the development of this activity is still low as stated in the Social Entrepreneurial Report by the General Entrepreneurship Monitor (GEM) in 2009. In light of this, the Ministry of Education (MOE) Malaysia under the High Education Sector has emphasized the issue of instilling social entrepreneurship in the education plan at the community college level, public and private of higher education institutions. Allocation is also given to students by the management of each institute of higher education in early efforts to propagate the culture of social entrepreneurship in Malaysia. Hence, the aspiration of students in higher education institutions to become social entrepreneurs is able to influence their career choice once they have graduated.
II. LITERATURE REVIEW

A. Entrepreneurial Intention

The aspiration of individuals to be entrepreneurs has attracted the attention of many researchers year after year by relating to many theories in terms of economy, psychology and sociology like entrepreneurial theory by [1], [2], Theory of Planned Behavior [3], Theory of Reasoned Action [4] and Theory of Entrepreneurial Event [5]. Hence, the inclination of these researches is almost always linked to the diligence where it has been proven to be the most important construct to prevailing theory and research in the entrepreneurial field [6]-[9]. In other matters, the intention of social entrepreneurs involves individual aspiration to be social entrepreneurs. Generally, social entrepreneurs are understood to be individuals who have high ambition and who are active contributors to new ideas with large scale innovative changes in overcoming issues or social problems by the community [10].

Global development has influenced the increased numbers of entrepreneurs each year and advocates another approach which is able to provide longevity not only to the entrepreneurs, but is able to positively impact the betterment of surrounding communities. The term ‘social entrepreneurs’ has been used widely to define community work, voluntary establishments, public service and private firms which are socially oriented [11]. Apart from that, research findings in this regard have succeeded in enhancing the existing business entrepreneurship theory [12].

Social entrepreneurship is prevalent among many developed countries like United Kingdom and United States of America. In contrast, the propagation of social entrepreneurship in Malaysia is still in its infancy by Malaysian citizens. Statistics in the Social Entrepreneurship Report by [13] states that 0.1 percent of each male and female in the 18-64 age bracket are involved in social entrepreneurial activities. Hence, the aspiration of Malaysian citizens towards social entrepreneurship activities support the agenda in the ministry’s policy to attract the attention by youth to take part in social entrepreneurship is still very low.

The concept of dedication of entrepreneurs or business entrepreneurs can be understood to involve the confidence level of one who aspires to establish a new business and plan to execute it in the future, whether or not it materializes, cannot be ascertained or attained [14]. This intention is differentiated through the aspiration to determine the attainment of profit-oriented goal (business entrepreneurs) and social orientation (social entrepreneurs). Nonetheless, there is no known definition to explain the intention of social entrepreneurs. Most of these definitions depend on the discipline embraced by respective researchers [15] as social orientation in entrepreneurship. Hence, intention of social entrepreneurs is the aspiration of one that is involved in producing innovation through social business efforts which impacts the community at large [16]. Apart from that, there is a difference in traits and ethics in individuals who are determined as business entrepreneurs and those who are determined as social entrepreneurs [15]. For example, an individual who has entrepreneurship intention will be inclined to take risks in producing creativity and innovation which could reap profit for the owners. Conversely, innovation, which is produced by social entrepreneurs, is socially oriented and is only able to provide long lasting life for those who are marginalized where they have to shoulder higher risk of failure. Meanwhile, proactive individuals, who are able to manage their business well and have high leadership ability, clearly depict the similarities between individuals who have business social entrepreneurship intention and social entrepreneurship.

In conclusion, intention can predict the behavior of individuals’ proclivity to be either business entrepreneurs or social entrepreneurs. Hence, research such as this focuses on this trend in relation to student of higher education’s propensity towards social entrepreneurship in entrepreneurship activities.

B. Social Entrepreneurial Activity

Before students are exposed to social entrepreneurial activities, they need to fully understand the concept of social entrepreneurship and subsequently harbor aspirations to be social entrepreneurs. In reference to this situation, literatures pertaining to social entrepreneurship activity research are still limited globally, including in Malaysia. Nevertheless, a few researches have focused on the importance of social entrepreneurial activities for marginalized communities, amongst which are [17]-[22].

The terminology ‘social entrepreneurship’ is still new in Malaysia; nonetheless, its execution can be long traced through the establishment of cooperation for urban and rural dwellers. The fact remains that, the government, not non-governmental organizations and the public at large still cannot dispel issues pertaining to unfair practices when it comes to poverty. Social enterprise is defined as organizations which use business opportunities to attain social goals [23]. Hence, social entrepreneurial activities have been practiced by the establishment of clubs, institutions, private firms, and small and large scale organizations.

In general, social entrepreneurship is understood to be a process which inclines towards fulfilling the needs of the community through social change and not just through financial mechanism per se. Social entrepreneurial activities not only focus on improving the standard of living amongst marginalized groups but also encompass efforts to preserve the longevity of the environment. However, research contexts focuses on goals which ensures marginalized groups such as those who are unemployed, single mothers, homeless people and impoverished people to have a better life based on their own effort and not rely solely on external financial help. Therefore, widespread social entrepreneurial activities among youth can overcome imbalance of socio-economic level of existing Malaysian citizens. Additionally, there are a few social entrepreneurial definitions in relation to the execution of this activity. One of them is by [20], who related social entrepreneurial phenomena as flow of activity and process.
which is taken to affect, determine and exploit opportunities through innovative means in order to improve social wealth by creating new businesses or managing existing organizations through innovative ways. Pursuant to that, [17] states that the social entrepreneurial concepts are still ambiguous and limited when used alongside other research disciplines. Despite that, [19] states that the main reason individuals conducts social entrepreneurial activities is to determine social needs and environmental needs, which begs attention. This is related to motivation achievement which influences individual decisions to carry out entrepreneurial activities as explained by [24]. Meanwhile, the success of a particular social entrepreneurial activity is measured based on either positive social affectations [19] or social wealth [20] which could benefit targeted communities.

The main aim of social entrepreneurial activity is to establish social values in communities [25]. Nevertheless, currently, many social enterprises are more inclined to reap financial profit more than social values in their effort to maintain the prestige and the improbability of financial enterprises [17], [20], [26]-[28], and simultaneously enhance the economic standing of those who are marginalized. This is emphasized by [29], who discovered that social entrepreneurial activities are capable of contributing to the development of community through (a) basic individual needs in terms of education, loans, or health services, (b) establishing a community with norms, rights and cohesive action, and (c) the needs of future generation. Additionally, this activity can improve social effort strategies in enhancing the filters towards the impoverished stoically and assimilate social capital resources [18]. Nevertheless, [30] found that these strategies are not effective for rural areas. Evidence show that the success of social entrepreneurial activities are dependent on filtering strategies employed by marginalized groups’ factor in location of projects conducted.

In conclusion, the success of a social entrepreneurial activity is related to individual’s aspiration to be a social entrepreneur. The ability of the individual to differentiate the concept of social entrepreneurship, social entrepreneur, and social enterprises also aids aspiration and success of a particular community project. In the context of this research, social entrepreneurship activity refers to the execution of community project conducted by students of higher education institutions in Malaysia.

C. Theory of Planned Behavior

This research takes into consideration a social psychology theoretical model which is the Theory of Planned Behavior (TPB) by [3], which is a continuation to the Theory of Reasoned Action [4]. This theory stresses that intention is capable of predicting a specific behavior based on three factors, which are attitude towards behavior, perceived behavioral control, and subjective norm [3]. This theory also assumes intention as the closest certainty to individual behavior. In this research, intention is used to predict the social entrepreneurial behavior of students from higher education institutions.

In practice, TPB has contributed to the understanding about the emerging behavior of business entrepreneurship which is employed to encourage entrepreneurship activities with aims to instill conducive entrepreneurial culture [31], [32]. Apart from that, most research employed TPB to predict intention to start a business especially amongst university students at global and local level, amongst them are [33]-[38]. Notwithstanding this, TPB has also been utilized for research to measure intention in terms of social entrepreneurship fields like [21] and [39]-[41].

Most of the researchers found that entrepreneurial research can influence individual aspiration to pursue entrepreneurial success in line with learning and experience accumulated [5]; [42], [43]. It is evident that TPB is relevant in forming entrepreneurs’ intention across disciplines and fields of study. Hence, this research is conducted to enhance TPB in social entrepreneurship fields to vary the contribution to practice and body of knowledge.

III. Problem Statement

Social entrepreneurship is able to support the Malaysian Higher Education Sector Blueprint – Higher Education Sector (PPPM-PT 2015-2025) in producing graduates in education, technical and vocational education training (TVET) holistically. Through this education platform, plans and executions are geared towards balancing the effect of the influence on students of higher education.

Armed with knowledge and skill they acquired in addition to the support by the environment and entrepreneurship culture on campus, indirectly, students will be inclined to make this their career choice once they have graduated. This is enhanced by the organization of meetings and social innovation competitions like International Conference for Youth Leaders (ICYL 2015), which aims to produce many social entrepreneurs and the creation of social-oriented products. This field also has similar potential with business entrepreneurs where they cut across the discipline of students’ studies. In reality, there is still a lack of research in relation to social entrepreneurship conducted by researchers amongst them are [21], [22], [40], [44]-[46]. Most of the research findings, especially those conducted in Malaysia, demonstrated that the level of social entrepreneurship is moderate. This is fortified by the report by [13], which proved that the level of social entrepreneurship activity of Malaysian citizens in the 18-64 year bracket is the lowest compared to China, Iran and Hong Kong. Additionally, students are less inclined and have no exposure to formal social entrepreneurship courses. Most students who undertake social entrepreneurship courses do so voluntarily.

Currently, statistics show that there is an increase in unemployment amongst Malaysian youth which is 2.8 percent in July 2014 to 3.3 percent in July of 2015 [47]. This increment in percentage directly underscores the problem regarding the issue of marketability and workability of public and private university graduates in Malaysia [48], [49]. This problem also indirectly succeeded in motivating students to be more creative, where ultimately they are inclined to create
social innovation which benefitted the community without taking into consideration personal gains. This effort indirectly succeeded in minimizing unemployment problems amongst graduates.

IV. RESEARCH OBJECTIVES

This research aims to determine the extent of social entrepreneurial aspiration amongst students of public and private higher education in Malaysia. Specifically, the objective of this research are to: a) identify respondent’s profile; b) identify the level of entrepreneurial intention and the social entrepreneurial activity amongst students of higher education in Malaysia; c) to determine the difference in intention of entrepreneurship and social entrepreneurial activity of students in higher education in Malaysia based on gender type of higher education.

V. RESEARCH METHODOLOGY

Research method employed is cross-sectional research. This method is used because it is suitable for the purpose of research. The population of research is public and private higher education students who are members of ENACTUS Malaysia club totaling 1531. ENACTUS (Entrepreneurial Act Us) is a non-governmental organization which conducts community development projects which have been deemed as social entrepreneurial activity. ENACTUS club is rebranded from the SIFE organization (Students in Free Enterprise) under ENACTUS Malaysia Foundation which was established in the year 2000. This club has succeeded to increase its membership to 33 branches encompassing public and private university. From these numbers, 355 students were chosen as the research sample. This numbers were obtained through minimum size intention calculation by [50] and takes into consideration sampling error. Subsequently, researcher added 12 percent to the sample amount, thus increasing it to 317 in order to replace anticipated loss of data. This number is deemed adequate according to the view of [51]. Stratified random sampling method was used and the sample was divided into two categories which are public and private university.

To find the answers for each research question, intention of entrepreneurship’s instrument was adapted and improvised from Entrepreneurial Questionnaire by [32]. For the social entrepreneurial activity, questionnaire by [52]-[54] has been adapted and improvised according to the needs of the research. Nonetheless, before these instruments are used, reliability and validity of instrument was tested where findings confirmed validity instrument exceeded 0.30 while reliability exceeded 0.80 (Cronbach’s Alpha test). This concluded that the instrument is good and can be used for the purpose of this research.

Data obtained will be analyzed using descriptive statistics and inference. To collect profile information, descriptive statistic will be used (frequency) while for intention and social entrepreneurship activity, likert scale of 5 points will be used with the scale 1 for totally disagree to 5 for totally agree. Subsequently, minimum score interpretation for the main construct involved is based on [55] adaptation on all three levels which is low (min 1.00 to 2.33), average (min 2.34 to 3.67) and high (min 3.68 to 5). Subsequently, ANOVA unidirectional test analysis and MANOVA will be used to differentiate entrepreneurship intention and social entrepreneurship activities based on gender and length of involvement.

VI. RESEARCH FINDINGS AND DISCUSSION

A. Demographic Profile of Respondents

The first research question is what the respondents’ profile is. Table I shows 335 students of higher education institution, of whom 54% are from public universities and the remainder from private universities has been chosen as research sample. This sample also involves the same gender ratio, which is 50 percent of male and female. A big part (66%) had experience being active in social entrepreneurial activities for less than a year, 33% had experience between 1-3 years and 1.85 percent had 3 years of experience or more.

Table I indicates that the level of entrepreneurial intention is average (mean=3.44, standard deviation=0.66). The same finding was discovered by [56] on the social entrepreneurial intention of undergraduate African, American and Hispanic students. Meanwhile, [21] found the level of entrepreneurial intention to be lower. This shows that it is still difficult to ascertain the social entrepreneurial intention level amongst the young generation. Instead, the level of social entrepreneurship activity level chalked a higher level (mean=4.11, standard deviation=0.38). Meanwhile, the mean score interpretation refers to the suggestion by [55], which was used as a yard stick of research variable level. This means that even though students only had average intention to be social entrepreneurs, they are extremely committed to produce social innovation from the community development project conducted. Reference [57] emphasized that social entrepreneurship process must contain the traits of innovation, inclination to take risks and involve marginalized community in a given time frame. This demonstrates that the high rate of success in social enterprise activity depends on the strength of the
individual’s personality.

TABLE II
LEVEL OF ENTREPRENEURIAL INTENTION AND THE SOCIAL ENTREPRENEURIAL ACTIVITY AMONGST STUDENTS

<table>
<thead>
<tr>
<th>Construct</th>
<th>Gender</th>
<th>n</th>
<th>Mean</th>
<th>Std. Deviation</th>
</tr>
</thead>
<tbody>
<tr>
<td>Entrepreneurial intention</td>
<td>Male</td>
<td>177</td>
<td>3.52</td>
<td>0.64</td>
</tr>
<tr>
<td></td>
<td>Female</td>
<td>176</td>
<td>3.35</td>
<td>0.65</td>
</tr>
<tr>
<td>Social entrepreneurial activity</td>
<td>Male</td>
<td>177</td>
<td>4.07</td>
<td>0.36</td>
</tr>
<tr>
<td></td>
<td>Female</td>
<td>176</td>
<td>4.02</td>
<td>0.35</td>
</tr>
</tbody>
</table>

C. Difference in Entrepreneurial Intention and Social Entrepreneurship Activity amongst Students of Higher Education In Terms of Gender and Types of Universities

The third research question is what is the difference in entrepreneurial intention and social entrepreneurial activity amongst students of higher education in terms of gender? The t-test result in Table III shows that there is no significant difference in terms of entrepreneurial intention between male students (mean=3.52, standard deviation=0.64) and female (mean=3.35, standard deviation=0.65, t=2.41, p=0.01<0.05). However, there is a significant difference between social entrepreneurial activity for male students (mean=4.07, standard deviation=0.36) and female (mean=4.02, standard deviation=0.35, t=1.37, p=0.02<0.05). This research finding supports [62], which recorded that the intention of business entrepreneurship between male and female students is different. The same goes in the social entrepreneurship contexts where male students have higher inclination than female. Reference [22] found differences between male and female students in executing social entrepreneurial activities by ENACTUS students. This finding opposes the research of [58], [59], who found that gender factor did not influence entrepreneurship.

TABLE III
T-TEST RESULT FOR GENDER

<table>
<thead>
<tr>
<th>Construct</th>
<th>Gender</th>
<th>n</th>
<th>Mean</th>
<th>Std. Deviation</th>
<th>t</th>
<th>Sig.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Entrepreneurial intention</td>
<td>Male</td>
<td>177</td>
<td>3.52</td>
<td>0.64</td>
<td>2.41</td>
<td>0.51</td>
</tr>
<tr>
<td></td>
<td>Female</td>
<td>176</td>
<td>3.35</td>
<td>0.65</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Social entrepreneurial activity</td>
<td>Male</td>
<td>177</td>
<td>4.07</td>
<td>0.36</td>
<td>1.37</td>
<td>0.02</td>
</tr>
<tr>
<td></td>
<td>Female</td>
<td>176</td>
<td>4.02</td>
<td>0.35</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

To test the difference in level of entrepreneurial intention and social entrepreneurial activity of various HEI’s, the result of t-test as depicted in Table IV shows that there is no significant difference in entrepreneurial intention between students in public universities (mean=3.40, standard deviation=0.68) and private university (mean=3.49, standard deviation=0.63, t=1.32, p=0.03<0.05). Conversely, there is a significant difference in social entrepreneurial activity for students in public university (mean=4.08, standard deviation=0.32) and private university (mean=3.99, standard deviation=0.33, t=2.50, p=0.01<0.05).

This research shows no difference in social entrepreneurial intention between students in public and private universities. Nevertheless, students in private universities are more inclined to be social entrepreneurs. This is enhanced by a research by [60], who found that students in private universities have higher inclination in entrepreneurship. This finding is consistent with [22], where there exists a difference between male and female students in executing social entrepreneurship activities. Meanwhile, the level of inclination of students in public universities in conducting social entrepreneurial activities is different than private universities. Reference [61] found that the level of entrepreneurial preparedness amongst students in public universities is higher. Hence, intention of social entrepreneurship is relevant and can be generalized to students of higher education in Malaysia and private universities management must take proactive steps in intensifying the execution of social entrepreneurial activities.

TABLE IV
T-TEST RESULT BASED ON TYPE OF IPT

<table>
<thead>
<tr>
<th>Construct</th>
<th>Type of IPT</th>
<th>n</th>
<th>Min</th>
<th>Std. deviation</th>
<th>t</th>
<th>Sig.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Entrepreneurial intention</td>
<td>Public</td>
<td>191</td>
<td>3.40</td>
<td>0.68</td>
<td>-1.32</td>
<td>0.32</td>
</tr>
<tr>
<td></td>
<td>Private</td>
<td>164</td>
<td>3.49</td>
<td>0.63</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Social entrepreneurial activity</td>
<td>Public</td>
<td>191</td>
<td>4.08</td>
<td>0.32</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Private</td>
<td>164</td>
<td>3.99</td>
<td>0.33</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

VII. CONCLUSION

In conclusion, this research involves high respondent frequency amongst female students in public universities, which had an involvement period of less than a year. Apart from that, the level of entrepreneurial intention is moderate compared to the high level recorded by students who participated in social entrepreneurial activities. In detail, the level of entrepreneurial intention amongst students of higher education is the same for students of different gender and type of university. Conversely, male students had more inclination to conduct social entrepreneurial activities compared to female students, while those in public universities are more inclined to participate in this activity as opposed to those in private universities. Subsequently, this research was able to contribute to the enhancement of intention instrument in the theory of planned behavior [3] in readily available contexts of social entrepreneurship. Indirectly, it shows that this theory can be used as a measurement to see how far individual entrepreneur determination is based on social orientation. From the aspect of practice, this research finding can benefit the management of institutes of higher education to predict the inclination of a student to be a social entrepreneur. Apart from that, the high level of inclination towards social entrepreneurial activity can be polished through creativity in more prestigious community development projects. Education aspects offer opportunities and facilities to realize related courses in social entrepreneurship to produce more social entrepreneur generation according to specific field of study. Realizing the fact that intention of social entrepreneurship amongst students of higher education in Malaysia is moderate, efforts must be geared to instill interest, and to the public as well as towards the importance of social entrepreneurial fields.

REFERENCES


