THE RELATIONSHIP BETWEEN ENTREPRENEURSHIP EDUCATION
AND ENTREPRENEURIAL INTENTION OF UNIVERSITI KUALA
LUMPUR – TEKNOPUTRA ALUMNI

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Abstract

Purpose: The unemployment rate among graduates is considered high in Malaysia despite concerted efforts taken by the Malaysian government in resolving the issue. If this issue is not tackled immediately by the government, the unemployment rate may soar and hence lead to social problems in the country. The aim of this study is to explore the relationship between entrepreneurship education and entrepreneurial intention of Universiti Kuala Lumpur TEKNOPUTRA Alumni.

Methodology: An online survey was conducted to explore if there is a relationship between entrepreneurship education the graduates had received at the university and their entrepreneurial intention to become entrepreneurs. About 50 graduates responded to the survey and they consisted of male and female graduates most of who were aged between 20 and 25 with less than 2 years of working experience. The sample had ventured into service types of business while others were sole proprietors, and most of them have been involved in their business for less than 5 years.

Results: Cronbach Alpha values for the reliability analysis of items for entrepreneurship education (α=0.953) and entrepreneurial intention (α=0.893) show that the items are reliable. Inferential statistics, that is Pearson r correlation was run to determine the relationship between the independent variable, entrepreneurship education and the dependent variable entrepreneurial intention.

Implications: Pearson Correlation analysis shows that there is a positive and significant relationship between entrepreneurship educations with entrepreneurial intention among TEKNOPUTRA Alumni. In short, this implies that most of the TEKNOPUTRA Alumni agreed that entrepreneurship education they had received at the university has influenced their entrepreneurial intention to become entrepreneurs.

Keywords: Entrepreneurship Education, Entrepreneurial Intention, Youth Entrepreneurs, Pearson Correlation, Teknoputra Alumni

INTRODUCTION

Despite on-going privileges and assistance provided by the government’s efforts and initiatives, SME youth entrepreneurs’ intention to become entrepreneurs lags far behind the target that had been set by the government. The concept of ‘youth’ is defined according to the National Youth Development Policy, 1997 as those aged between 5 and 40 years old. However, the new definition of youth has been coined in 2018, with reference to young people aged between 15 and 30 years. For the purpose of this study, the focus will be on youths aged between 18 (minimum age limit to register in a company) and 30 years.

The unemployment rate among youths across the region shows that Malaysia is ranked as the fourth highest as compared to Indonesia, Korea, Vietnam, Indonesia, and Thailand. The unemployment rate among youths in Malaysia between 20 and 39 years old is quite high that is, about 3.0 percent (411,000 youths unemployed) in 2015 (International Labour Organization, 2016). In terms of the ratio of youth unemployment to national unemployment in the same year, Malaysia ranks as the third highest.

The statistics from the Malaysian Ministry of Education (MOE), 2013 shows that about 1.7% of university graduates were self-employed with their own businesses. Nevertheless, the government’s target was to achieve 5.5 percent of graduate entrepreneurs by 2015 and this has resulted in a setback in achieving the abovementioned target (Halder and Chandra, 2012; Dumbu, 2014; Mohamad et al., 2014; Pan, 2014; Esia-Donkoh et al., 2015; Vahdany and Gerivani, 2016). The focus of setting the target is merely to help resolve issues related to developing and boosting internal capabilities and entrepreneurial competitiveness among Malaysian youths. However, these objectives have emerged as a challenge to the Malaysian government to achieve their goals.
Ekpe et al. (2015) suggested that one of the ways to promote youths to venture into business is through vocational counseling in schools. Besides, many programs have been designed by the Malaysian government to support SMEs; however, most Malaysian SME owners/managers are still fearful to face challenges in gaining profit for business sustainability and competitive advantage (Halim et al., 2017). On the other hand, Ling et al. (2009) found that most of the youth entrepreneurs are Malay males who are educated, highly-motivated and have the ability to face challenges. Becoming an entrepreneur is a process and youths can be shaped to become future entrepreneurs (Ling et al., 2009; Mohamed et al., 2012; Dumbu, 2014; Nazri et al., 2014; Prima and Ghina, 2017; Halim et al., 2017; Hussain, 2017).

Aim of the Study
The main aim of the study is to investigate the relationship between entrepreneurial education and entrepreneurial intention among Universiti Kuala Lumpur TEKNOPUTRA Alumni. The significance of this study is that it will help the government to design appropriate programmes for youths to develop an interest in entrepreneurship and hence, venture into business as a strategy to overcome the problem of unemployment in Malaysia. In fact, Mohamed et al. (2012) indicated that there is a positive and significant relationship between basic entrepreneurial training programmes and graduate intention to become entrepreneurs.

Scope
The scope of this study will be confined to youth entrepreneurs or TEKNOPUTRA Alumni of Universiti Kuala Lumpur, Malaysia.

LITERATURE REVIEW

Issues on Entrepreneurship Education and Youths
Despite the introduction of entrepreneurship education in schools and universities, the unemployment rate among Malaysian youths is still high. The initiative by the Malaysian Ministry of Higher Education highlights the importance of entrepreneurship education in boosting youth interest in venturing into entrepreneurship. According to Raposo and Paco (2011) although there are many activities that are introduced to youths at the university such as training, seminars, short courses, conferences, and events together with financial support provided to encourage youths to venture into entrepreneurship, yet their participation in entrepreneurial activities is still low.

The best delivery/teaching method for entrepreneurship education is still undefined and particularly presents the challenges of theory and practical issues in universities (Raposo and Paco, 2011; Vahdany and Gerivani, 2016; Wijayanto and Sumarwan, 2016; Ghanney, 2018; Masciantonio and Berger, 2018). A recent study by Nabi et al. (2017) identified the impact of pedagogical methods on attitude, skills and knowledge, venture feasibility, entrepreneurial intention, business start-up, performance, socio-economy, and others. An earlier study by Küttim et al. (2014) found that entrepreneurship education seems important in providing students with blended learning and training which include coaching and collaborative activities. Entrepreneurship education components have a positive relationship with other variables. In relation to this, the design-thinking approach is able to encourage creativity, risk-taking, problem-solving and collaboration as the main factors to improve the curriculum (Val et al., 2017).

Past Studies on Youth Entrepreneurs
Past studies on youth entrepreneurs in Malaysia includes profiling of youth entrepreneurs in Klang Valley (Ling et al., 2009; Jayakumar, 2016; Kweka and Ndibalema, 2018; Owagbemi, 2018; Verma et al., 2018) entrepreneurial spirits of Bumiputera youths in Malaysia (Zain and Mustapha, 2012) person-environment congruency of FELDA youth entrepreneurs (Yunus et al., 2014) business infrastructure, business support and government policy towards youth entrepreneurs (Nasrullah et al., 2016) resources, social network competence and youth entrepreneurs’ success (Ridzwan et al., 2016) motivating factors for youth entrepreneurs in Malaysia (Marzuki and Abdullah, 2016) entrepreneurship intention among adolescents (Nawang et al., 2016) acceptance of ICT among youth entrepreneurs (Zaremohzzabieh et al., 2016) challenges of entrepreneurship education for disabled people (Buntat et al., 2016) and entrepreneurship.

Rahim et al. (2015) revealed that another factor which emerges as a hindrance is financing, which refers to which involves a long process to obtain any loans for graduates to fulfil their requirements to start a business. Hence, a review between 2008 and 2017 found that the influence of entrepreneurial education on intention and business performance of youth entrepreneurs in Malaysia have yet to be explored. As this is a significant gap in the literature, this study will be conducted to examine the influence of entrepreneurship education in Malaysia in promoting entrepreneurship activities among youths. Past literature reveals that entrepreneurial attitude is a practical suggestion, and this warrants studies to
explore attitudes and intention for an entrepreneurial venture. Other studies have explored the effects of entrepreneurship education on attitude and intention, attitude towards entrepreneurship education, the impact of entrepreneurship education on entrepreneurial behaviour, and university students’ attitudes (Packham et al., 2010; Soomoro and Naimatullah, 2014; Rauch and Hulsink, 2015; Potishuk and Kratzer, 2017). In other words, the entrepreneurial attitude has an influence on a person’s attention and action towards self-employment. (Soomoro and Naimatullah, 2014) also stated previous researchers have focused on attitudes that can boost entrepreneurial intention through entrepreneurship education. Thus, these two components are significantly related to one another. In order to attain higher income in the near future, past researchers have found that an individual should accept entrepreneurship as his or her main business with the right attitude and intentions.

Entrepreneurship Education

Entrepreneurship education is defined as business activities, with specific teaching methods aimed at teaching students on how to start a company (Mahieu, 2006). However, a broader definition of entrepreneurship education is to promote an idea that students should learn a set of ‘entrepreneurial skills’ such as independence, creativity, problem-solving and diligence (Korhonen et al., 2011). Furthermore, the impact of entrepreneurship research is limited and little has been performed to assess the effectiveness of entrepreneurship education. However, for the purpose of this study, entrepreneurship education is defined as entrepreneurial skills such as interactions that go beyond individual entrepreneurs that is by forming teams, organizations, networks, and institutions.

According to Othman et al. (2012), the entrepreneurial skills of university graduates due to international exposure require trends in entrepreneurship education. Besides, methods of delivery of entrepreneurship education are often used interchangeably and this leads to confusion most of the time. In Malaysia, the government has always been responsible to improve and establish a formal delivery of entrepreneurship education through a process of providing individuals with the ability to recognize opportunities. In other words, the method of delivering entrepreneurship education is the key instrument for improving the entrepreneurial attitudes of individuals who aspire to start a business.

Other than that, the European countries realized that the school curriculum needs to be updated to foster current entrepreneurial teaching practices in enhancing entrepreneurship in European schools (Val et al., 2017). The strategies or procedures could assist the Malaysian Higher Education to implement teaching and learning strategies that contribute toward developing student values in entrepreneurial skills (Rahim et al., 2015).

The latest empirical study by Nabi et al. (2017) shows that there are various dimensions such as emotion and mindset and focus on impact indicator related to the intention to behavior transition. Another study by Ojaghi et al. (2017) on analytical challenges found that eight categories need to be improved, namely, entrepreneurship features, teachers’ traits, and skills, organization of entrepreneurship education, teaching method, university plans and policies, entrepreneurship attitude and understanding, government and culture actions in the society. According to Jones and Iredale (2010), entrepreneurship education promotes self-employment and new business start-up. The component of entrepreneurship education as a method on how to attract and expose students to new pedagogies, starting a business as coursework, games and simulations, design-based thinking and reflective practices. Table 1 summarizes the different teaching methods for entrepreneurship education.

<table>
<thead>
<tr>
<th>Methods</th>
<th>Explanation</th>
</tr>
</thead>
<tbody>
<tr>
<td>Experiential learning</td>
<td>Encourages learning by doing, exchanging, experimenting, positive mistake-making, calculated risk-taking, creative problem-solving and interacting with the outside world (Hytti et al., 2010; Jones and Iredale, 2010)</td>
</tr>
<tr>
<td>Collaborative learning</td>
<td>Peer collaboration, the achievement of learning. Instruction method in which performance levels work together in small groups (Hynes et al., 2010)</td>
</tr>
<tr>
<td>Problem-based learning</td>
<td>Problem-based learning consists of 4 core areas (PBL4C) content knowledge, thinking processes, skills, and values (Tat et al., 2011; Seikkula-Leino et al., 2015)</td>
</tr>
<tr>
<td>Student-centered learning</td>
<td>The teacher considers the interests and needs of the students in the class and then provides instruction based on them. The teacher tries to make sure that students acquire the information and understand the concepts presented before moving on to more difficult material. The teacher takes into account individual differences and makes adjustments to accommodate individual</td>
</tr>
</tbody>
</table>
Team building

The goal of this way of learning is to motivate students, bringing in creativity into the classroom, and enhance problem-solving skills. In this process, the emphasis is on team-building through activities; whether five-minute games or week-long assignments, to teach essential collaborative skills while helping students develop trust in each other and each other’s abilities. Students are able to share their outcomes with others - resulting in pride in their accomplishments and reinforcing that learning is a constructive process rather than merely a process of fact retention (Daud et al., 2011).

Creativity

The ability to generate original ideas or new perspectives on existing ideas (Carey and Matlay, 2010; Hynes et al., 2010).

METHODOLOGY

Sampling and Data Collection

The questionnaires were distributed to all Universiti Kuala Lumpur TEKNOPUTRA Alumni using Google Survey from March 2018 till April 2018. However, only 50 alumni responded to the survey within two weeks. The data were analyzed as a pilot study.

Questionnaires Development

The questionnaire was developed from past literature on entrepreneurship education and entrepreneurial intention. It was divided into two parts: Part A on respondent profile, and Part B on factors investigated in the study. There were 7 items on entrepreneurship education based on a 5-point Likert scale. These items consist of experiential learning (Hytti et al., 2010; Jones and Iredale, 2010) collaborative learning (Hynes et al., 2010) problem-based learning (Seikkula-Leino et al., 2015) student-centred learning (Naia et al., 2015) teamwork (Hytti et al., 2010) student-led discussions (Bell, 2015) and creativity (Carey and Matlay, 2010; Hynes et al., 2010).

Ethical Concerns

The sample of the study volunteered to participate in the survey. Since the survey was conducted online, the anonymity of the respondents was assured.

Respondents Profiles

Based on Table 2 below, about 60.8% of the respondents were males while 37.3% are females. In addition, about 86.3% of them were single, and only 11.8% of them married. Most of the respondents were aged between 20 and 25 years (70%) and those with a Bachelor’s degree were 68%, while 78% had less than 2 years’ working experience (78%). They were involved in a service type of business (56%), as sole proprietors (52%), and have been running the business for less than 5 years (80.4%).

<table>
<thead>
<tr>
<th>Table 2: Respondent Profiles</th>
</tr>
</thead>
<tbody>
<tr>
<td>Gender</td>
</tr>
<tr>
<td>Male</td>
</tr>
<tr>
<td>Female</td>
</tr>
<tr>
<td>Total</td>
</tr>
<tr>
<td>Age</td>
</tr>
<tr>
<td>20 to 25 years old</td>
</tr>
<tr>
<td>26 to 30 years old</td>
</tr>
<tr>
<td>31 to 35 years old</td>
</tr>
<tr>
<td>Total</td>
</tr>
<tr>
<td>Working Experience</td>
</tr>
<tr>
<td>None</td>
</tr>
<tr>
<td>Less than 2 years</td>
</tr>
<tr>
<td>5 to 10 years</td>
</tr>
<tr>
<td>Others</td>
</tr>
<tr>
<td>Total</td>
</tr>
<tr>
<td>Types of Ownership</td>
</tr>
<tr>
<td>Sole Proprietorship</td>
</tr>
<tr>
<td>Partnership</td>
</tr>
<tr>
<td>Others</td>
</tr>
</tbody>
</table>
Reliability Analysis

Table 3 shows the results of the reliability analysis of the items in the questionnaire. Cronbach’s Alpha values are quite high (0.95 and 0.89 respectively) for entrepreneurship education and entrepreneurial intention. Thus, all the items were regarded as reliable and hence, no items were deleted.

<table>
<thead>
<tr>
<th>Factor</th>
<th>Number of Items</th>
<th>Items Deleted</th>
<th>Total Items</th>
<th>Cronbach’s Alpha</th>
</tr>
</thead>
<tbody>
<tr>
<td>EE</td>
<td>7</td>
<td>0</td>
<td>7</td>
<td>0.953</td>
</tr>
<tr>
<td>EI</td>
<td>3</td>
<td>0</td>
<td>3</td>
<td>0.893</td>
</tr>
</tbody>
</table>

FINDINGS AND DISCUSSION

Descriptive Analysis

The items perceived to be important for entrepreneurship education are related to problem-based-learning (mean =4.00), collaborative learning (mean = 3.98), student centred learning (mean = 3.08), teamwork (mean = 3.98), student-led discussions (mean = 3.98), experiential learning (mean = 3.94), and creativity (mean = 3.94). The findings show that problem-based learning is considered as being the most popular type of learning to develop entrepreneurial intention among students. Moreover, most of the TEKNOPUTRA Alumni agreed that entrepreneurship education contributed towards the increase in revenues (mean = 3.96), and employee loyalty (mean = 4.00), indirectly contributing towards the increase in business performance or profit (mean = 4.00).

Relationship between entrepreneurship education and entrepreneurial intention among TEKNOPUTRA Alumni

Table 4 below shows a positive and significant relationship (r= 0.851; p = 0.000) between entrepreneurship education and entrepreneurial intention among TEKNOPUTRA Alumni. As such, it can be regarded that most of the respondents agreed that entrepreneurship education has increased their intention to be entrepreneurs. In terms of the mean score, it shows that both mean values for entrepreneurship education and entrepreneur intention were almost 4.00. This means that most of the respondents agreed that entrepreneurship education was important, and they had the intention to become entrepreneurs.

<table>
<thead>
<tr>
<th>Entrepreneurship Education</th>
<th>Intention</th>
</tr>
</thead>
<tbody>
<tr>
<td>Entrepreneurship Education</td>
<td>Pearson Correlation</td>
</tr>
<tr>
<td>Sig. (2-tailed)</td>
<td>0.000</td>
</tr>
<tr>
<td>N</td>
<td>50 50</td>
</tr>
<tr>
<td>Intention</td>
<td>Pearson Correlation</td>
</tr>
<tr>
<td>Sig. (2-tailed)</td>
<td>0.000</td>
</tr>
<tr>
<td>N</td>
<td>50 50</td>
</tr>
</tbody>
</table>

**. Correlation is significant at the 0.01 level (2-tailed).

LIMITATIONS

This study has a few limitations. First, the data distribution of the sample’s feedback is skewed and this is due to the small number of the sample who responded to the survey (n=50). Second, all the respondents were Malay Muslims as the majority of Universiti Kuala Lumpur students consist of Malay Muslims. Third, due to the small number of graduates who responded to the survey, the findings cannot be generalized to Universiti Kuala Lumpur students who come from different courses, and TEKNOPUTRA programmes.

RECOMMENDATIONS

It is recommended that entrepreneurship education programmes or courses incorporate the following elements in the delivery:

1. **Problem-based learning** that includes 4 core areas (PBL4C), namely, content knowledge, thinking processes, skills, and values (Tat et al., 2011; Seikkula-Leino et al., 2015):
2. **Collaborative learning** that includes peer collaboration, the achievement of learning by working together in small groups (Hynes et al., 2010);

3. **Student-centered learning** that requires the teacher to consider the interests and needs of the students in the class, and then provide instruction based on them. The teacher tries to make sure that students acquire the information and understand the concepts presented before moving on to more difficult material. The teacher takes into account individual differences and makes adjustments to accommodate individual students (Naia et al., 2015).

4. **Teamwork** that includes motivating students, bringing in creativity into the classroom, and enhance problem-solving skills. In this process, the emphasis is on team building through activities, whether five-minute games or week-long assignments, to teach essential collaborative skills while helping students to develop trust among each other and each other's abilities. Students are able to share their outcomes with others - resulting in pride in their accomplishments and reinforcing that learning is a constructive process rather than merely a process of fact retention (Daud et al., 2011).

5. **Student-led discussions** with the incorporation of experiential learning might help students to develop entrepreneurial skills (Bell, 2015).

Another recommendation is for future researchers to explore the relationship between entrepreneurship education and entrepreneurship intention using bigger samples from various races and backgrounds. Besides, other methods of collecting data can be conducted, that is by using qualitative approaches for instance through interviews. In this way, triangulation of data collected can be verified through both quantitative and qualitative methods, hence validating the findings of the study.

**CONCLUSION**

Based on the findings of this study, it can be concluded that most Universiti Kuala Lumpur TEKNOPUTRA Alumni agreed that entrepreneurship education that they had received from the university has contributed towards their intention to become entrepreneurs while helping them to secure sales, manage employees, and increase their business performance. Most of them agreed that the components of entrepreneurship education which incorporates problem-based learning (mean = 4.00), collaborative learning (mean = 3.98), student-centered learning (mean = 3.08), teamwork (mean = 3.98), and student-led discussions (mean = 3.98) have provided them with the knowledge to manage their business. The findings of this study support previous research done in other countries which involve problem-based learning by Seikkula-Leino et al. (2015) collaborative learning by Hynes et al. (2010) student-centred learning by Naia et al. (2015) teamwork by Hytti et al. (2010) and student-led discussions by Bell (2015). In essence, it can be concluded that with more simulations, real cases, and discussions may indirectly capture the intention and interest of students to venture into entrepreneurship in the future. Although this study is an exploratory one, the findings have highlighted the significance of entrepreneurship education in developing entrepreneurial intention among graduates today.

**REFERENCES**


