

## Entrepreneurial Intention among Non-Business Students: The Role of Entrepreneurship Education, Interest and University Support

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### Abstract

Entrepreneurship in universities has increased its importance as the government is emphasizing on self-employability as a source of employment. In this regard, the government emphasizes the development of entrepreneurial skills at all levels of education and training to help create an entrepreneurial community. Therefore, the main idea of this study is to examine the intentions to become entrepreneurs towards non-business students of UiTM Perak Branch who registers for the entrepreneurship course. A total of 317 students participated in this study. Standard statistical data analysis techniques were used to apply different test such as Reliability, ANOVA and Regression Analysis. The findings of study revealed that all three independent variables (interest, entrepreneurship education and university support) are significant in influencing student's intention to become entrepreneur. This study indicates that interest toward entrepreneurship is the best predictor of intention to business start-up. For that reason, this university needs to encourage students and develop their interest toward entrepreneurship sector as to produce a young entrepreneur among graduated students.

**Keywords:** Entrepreneurship, Entrepreneurship Education, Interest, Intention, University Support.

### Introduction

Entrepreneurship is a multi-disciplinary study that comprises economics, psychology and sociology. The research in entrepreneurship has received much attention among academics and especially in the higher education institutions (HEI). Entrepreneurship in universities has increased its importance as the government is emphasizing on self-employability as a source of employment. In this regard, the government emphasizes the development of entrepreneurial skills at all levels of education and training to help create an entrepreneurial

community. Higher education institutions play an important role in ensuring that entrepreneurship education develops the potential of students as well as encourages entrepreneurial activities and subsequently helps them choose an entrepreneurial career. Engagement in entrepreneurial activities among graduates would strengthen the economy from job creation and generating new incomes. Various mechanisms have been put forth by the government to promote and stimulate the take-up on entrepreneurship such as establishing new policies, providing funding to the educational institutions and small and medium enterprises (SME), physical infrastructure and business advisory services, etc. One of the national agenda on promoting entrepreneurship in the country is the development of National Entrepreneurship Policy (NEP) which is a long-term strategy developed for Malaysia to become an outstanding entrepreneurial nation by 2030.

Despite the enormous initiatives and strategic plans by the HEIs and government, the uptake of entrepreneurship especially among graduates is still slow. It is notable that there seems to be a lack of business start-up amongst the students or graduates (Ahmed et al., 2010). This is highlighted by Nabi et al. (2017) that business start-up among students in higher education is very limited and poorly explored. According to a study in 2018 conducted by the Ministry of Education, Malaysia's Graduate Tracer Study, out of the 51,000 graduates a year, nearly 60% remain unemployed one year after graduation (Dahalan et al., 2020). Another similar study shows that the number of unemployed graduates in 2018 was 162,000 persons, an increase of 4.6 percent from 2017 (154,900 persons) (Saw et al., 2021).

Past studies on entrepreneurship have investigated much on entrepreneurship; among others include entrepreneurial success and government's role (Kamarudin et al., 2017) and characteristics of entrepreneurs (Ariff & Syarisa Yanti, 2003). Further, Nabi et al. (2017) in their thematic study on entrepreneurial education in higher institutions highlighted the limited study on graduate intention to start-up their own businesses.

Hence, this research aims to examine the role of entrepreneurial education towards entrepreneurial intention among non-business students in HEIs. As promoted by the government, all HEIs have embedded entrepreneurship courses in their curriculum for both business and non-business programmes.

### **Review of Past Studies**

Entrepreneurship has a substantial role in determining the evolution of the economy in a nation. In fact, it is one of the essential factors that appear to aid in creating jobs and boosting the economic growth of a country. Entrepreneurship is observed as job formation, poverty decrease and importance as a source of innovation and social development (Temoor et al., 2020). The Malaysian government has counted the importance of entrepreneurship and thus, has been providing support to shape entrepreneurs. In addition, governments have begun taking initiatives and implementing strategies to ease entrepreneurship by promoting entrepreneurship activities among societies.

Nurdan and Nancy (2016), holds that entrepreneurial intention as a commitment to perform a behavior that is necessary to start a business venture. Additionally, entrepreneurial intention can also be defined as a 'state of mind that people wish to create a new firm or a new value driver inside existing organizations. Thompson (2009) defines entrepreneurial intention as the belief that entrepreneurs intend to start a business.

In other word, entrepreneurial intention is a psychological state that guides our attention toward specific business goals in order to achieve entrepreneurial results. It is also a recognition that individuals take actions to develop new businesses or create new values in existing enterprises.

### *Entrepreneurship Education*

Education is a yardstick that reflect the higher a person's education level, the higher is his or her entrepreneurial skills and literacy. Commonly, people believe that entrepreneurial skills can be learned by inculcating entrepreneurship knowledge to students (Mohd Noor et al., 2015). Apparently, they are more motivated towards venturing into business than those who have not been exposed to this knowledge.

In June 1982, entrepreneurship education in Malaysia started with the introduction of the Kembara Usahawan (KEMUSA) co-curriculum by public institutions known as Institut Teknologi MARA (ITM) primarily to create awareness on entrepreneurial opportunities among students. Later in 1988, ITM introduced the entrepreneurship subject known as Fundamentals of Entrepreneurship (ETR300) as a compulsory subject to all diploma students (Abdul Latif et al., 1996). According to Hardy et al (2015), the Malaysian government has been playing a significant role to promote entrepreneurship via national plan and policies as well as supporting the establishment of agencies. Additionally, local universities have set up entrepreneurship centers to facilitate the encouragement of entrepreneurship education into entrepreneurship skills among students of higher learning institutions.

The entrepreneurial curriculum and content exposed to entrepreneurship seems to be a key factor in order to develop and foster entrepreneurialism (Charney and Libecap, 2003). Nevertheless, because of its multidisciplinary nature, possibly the pedagogical issue of entrepreneurship is always incomplete discussion (Cooper, Bottomley et al. 2004). There appears to be unfinished debate concerning how, who and what to teach entrepreneurship with regard to its conceptual and contextual understandings despite entrepreneurship education having received attention from academia (Raichaudhuri, 2005).

Levie (1999) in his study on entrepreneurship education in England found that entrepreneurship teaching and courses are divided into two approaches: courses for entrepreneurship and courses about entrepreneurship. The decisions on teaching methodologies in entrepreneurship courses could be influenced by the aim of the educational objective. In addition, Keat et al., (2011) in his study among university students in the northern region of Peninsular Malaysia pointed out that entrepreneurial curriculum has a significant correlation with entrepreneurial intention.

### *University Support*

Evidence suggests that universities can support the development and identifying entrepreneurial tendencies among students and enable them to start their businesses. (Debackere and Veugelers, 2005). Additionally, research in this area has consistently highlighted the importance of university support as a key factor in determining a student's intention to start a new venture.

In empirical research, it is suggested that university support, education, climate, policies, funds and other support positively affect entrepreneurial intentions. For example, Luthje and Franke (2004), conducted an analysis using a sample of 512 students and revealed that the university climate does make a direct contribution to a student's entrepreneurial intention. In another study, they found the deficiency of entrepreneurship support may reduce student's optimism for entrepreneurship (Luthje and Franke, 2004).

Nasiru et al (2015) perceived university support raises student's entrepreneurial intentions. Similarly, a recent study found that an entrepreneurial university environment directly affects entrepreneurial intention (Nguyen, 2020). As such, it is reasonable to expect that university support may enhance a student's entrepreneurial intentions to become an entrepreneur. Therefore, the entrepreneurial support provided by universities is an efficient way of acquiring the necessary knowledge of entrepreneurship and motivates students to seek entrepreneurial careers.

### **Methodology**

This study proceeds with a quantitative research approach for data collection. The context of this study focuses on students in UiTM Perak who registers for the entrepreneurship course. This group was selected because they are exposed to business, and they have acquired prior knowledge pertaining to developing a business plan and business start-up. Population for this study are students who are pursuing diploma level from five different faculties that include the Faculty of Applied Science, College of Arts and Design, Accountancy and Department of Built Environment Studies and Technology. Apart from that, this group only selecting students from part 4. According to Student Information Management System (SIMS) by UiTM system the current number of registered as entrepreneurship course students are 1638. The sample of research was determined by Krejcie and Morgan Table. Total of 317 respondents were successfully collected. According to Krejcie and Morgan (1970) stated that a sample of between 310 and 313 are considered adequate.

This study examined the data collected using SPSS software. Correlation and Regression analysis were run to answer the research objectives. Based on Pallant (2011) Correlation analysis is used to describe the strength and direction of the linear relationship between two variables. For this study, the researcher determined the relationship between intention (dependent variable) with entrepreneurial education, interest and university support (independent variable). Second analysis is Regression, that used to explain how much unique variance in the dependent variables each of the independent variables explained (Pallant, 2011). Independent variable with the highest Beta value determined more unique contribution.

## **Results and Discussions**

### *Profile of Respondents*

Respondents are categorized into five main faculties in UiTM Perak. From the frequency data in Table 1 below it shows that most of the respondents are from the Department of Built Environment Studies & Technology that contributed to 60.3 per cent. Based on these five faculties, 74.1 per cent of them are in part four. Most of the respondents (81.1%) enroll for the Fundamentals of Entrepreneurship course (ENT300). This is because it is compulsory for part four students to take ENT300 course to complete their diploma level. Results also show that male respondents consist of 41.6 per cent while female accounted for 58.4 per cent. There are 56.2 percent of the respondents who have experience in conducting business while the remaining 43.8 per cent have no prior experience in doing selling activities. Further, the statistics also show that a total of 54.3 per cent of the respondents do not have any family members or parents who currently run a business.

Table 1

*Respondent Profile*

No	Items	Frequency	Percentage
1	Program		
	Department of Built Environment Studies & Technology	191	60.3
	College of Creative Art	64	20.2
	Faculty of Applied Sciences	4	1.3
	Faculty of Business Management	1	.3
	Faculty of Computer and Mathematical Sciences	37	11.7
	Faculty of Accountancy	3	.9
	Others	17	5.4
2	Semester		
	4	235	74.1
	5	21	6.6
	6	35	11.0
	7	15	4.7
	8	3	.9
	9	8	2.5
3	Gender		
	Male	132	41.6
	Female	185	58.4
4	Course		
	ENT300	257	81.1
	ENT530	38	12.0
	ENT600	14	4.4
	Others	8	2.5
5	Selling Experience (Before Taking ENT)		
	Yes	178	56.2
	No	139	43.8
6	Family Members Running Business		
	Yes	145	45.7
	No	172	54.3

*Analysis of Mean*

Table 2 below presents the mean for entrepreneurship education. As can be seen, most of the respondents agree that entrepreneurship education has enable them to learn much about entrepreneurship. The highest mean is 4.41 which reflect that learning the entrepreneurship in university has helped the students to identify business ideas and business risks. The lowest mean is 4.27 in which learning the entrepreneurship course has enabled them to identify changes in the environment.

Table 2

*Analysis of Mean*

	Mean	Std. Deviation
1. Learning the ENT course has enable me to identify the business ideas.	4.41	.607
2. Learning the ENT has enable me to generate innovative ideas.	4.36	.644
3. Learning the ENT has enable me to identify any changes in the environment.	4.27	.681
4. Learning the ENT has enable me to relate business ideas with community needs	4.35	.685
5. Learning the ENT has enable me to build networking in the business.	4.31	.702
6. Learning the ENT has enable me to prepare a Business Plan.	4.38	.672
7. Learning the ENT has enable me to prepare the financial reports.	4.32	.671
8. Learning the ENT has enable me to do market research.	4.33	.693
9. Learning the ENT has enable me to identify the business risk.	4.41	.658

Table 3 below shows the mean output for students' interest towards entrepreneurship. As can be seen all the respondents agree that learning entrepreneurship in the university has increased their interest towards the course. The result shows the highest mean of 4.18 in which their ability to start thinking about their own business. Learning the entrepreneurship also has led them to think about a product/service to start their own business.

Table 3

*Mean output for Interest*

	Mean	Std. Deviation
1. Learning the ENT course has increase my passion towards entrepreneurship.	4.12	.769
2. Learning the ENT course has influenced me to think about starting my own business	4.18	.808
3. Learning the ENT course has increased my interest to start a business.	4.14	.775
4. Learning the ENT has led me to think about a product/service that could be possible to start my own business.	4.17	.747

Table 4 below presents the mean result for university support. As can be seen all the respondents agree that university support has encouraged them towards entrepreneurship. Most respondents agree that more entrepreneurship and business educational programmes on campus would help students to start businesses.

	Mean	Std. Deviation
1. The university is an ideal place to learn about starting a business	4.24	.717
2. More entrepreneurship and business educational programmes on campus would help students to start businesses.	4.29	.673
3. Entrepreneurial or business-related examples are included in classroom teaching.	4.19	.717
4. Students are encouraged to pursue entrepreneurship ventures in the university	4.20	.695
5. The university infrastructure and policies discourage entrepreneurship.	3.90	.917
6. The university provide opportunity for students to meet lots of people with good ideas for new businesses.	4.26	.687
7. The university's entrepreneurship program actively encourage students to pursue their own business ideas.	4.25	.658
8. My university course prepares people well for entrepreneurial careers.	4.19	.731
9. The university has entrepreneurship club which promote entrepreneurship	4.06	.801
10. University has infrastructure in place to support the entrepreneurial activities.	4.12	.793
11. A creative university environment inspires me to develop ideas for new business.	4.13	.764
12. The university provides resources to assist student entrepreneurs.	4.15	.784

Table 5 below presents the reliability analysis for the study. All variables show Cronbach Alpha value of more than 0.7 hence they are reliable to proceed for further analysis.

Table 5  
*Reliability Analysis*

Variables	Cronbach's Alpha	Cronbach's Alpha Based on Standardized Items	Nu of Items
Entrepreneurship education	0.945	0.945	9
Interest	0.915	0.915	4
University support	0.946	0.946	12

#### *Regression Analysis*

Multiple regression analysis is conducted to determine the degree of the regression model fit and to test the statistical significance of each of the independent variables with the dependent variable. From Table 6 below, the R squared value is 0.417 that measures the variation of the dependent variable that is accounted for by the independent variables. This



means that 41% of the variation in the intention to become entrepreneur (DV) can be explained by entrepreneurship education (IDV1), interest (IDV2) and university support (IDV3). Whereas the result from the ANOVA test as shown in Table 7 shows the F value of 74.518 which is more than 1 and significant at 0.001 ( $P < 0.01$ ). This indicates that the model is fit to be used for this study.

Table 6

*Regression Analysis***Model Summary<sup>b</sup>**

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.645 <sup>a</sup>	.417	.411	.691

a. Predictors: (Constant), US, I, EE

b. Dependent Variable: Intention

Table 7

*Anova***ANOVA<sup>a</sup>**

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	106.809	3	35.603	74.518	<.001 <sup>b</sup>
	Residual	149.544	313	.478		
	Total	256.353	316			

a. Dependent Variable: Intention

b. Predictors: (Constant), US, I, EE

Table 8 below shows the coefficients of regression analysis. The results show that all three independent variables are significant in influencing students' intention to become entrepreneur. Entrepreneurship education and interest are significant at  $p < 0.01$  while university support is significant at  $p = 0.003$ . Among the three variables, interest seems to be the most important to the students influencing their intention. This is evident from the t value of 9.794 as shown in the table. Next is important factor for intention is entrepreneurship education in which the t value is 3.341. The least important factor is university support with the t value of 2.954.

Table 8

*Regression Coefficients***Coefficients<sup>a</sup>**

Model		Unstandardized Coefficients		Standardized Coefficients Beta	t	Sig.
		B	Std. Error			
1	(Constant)	.751	.312		2.406	.017
	EE	-.397	.119	-.245	-3.341	<.001
	I	.844	.086	.648	9.794	<.001
	US	.328	.111	.216	2.954	.003

a. Dependent Variable: Intention

### **Conclusion and Recommendation**

This study aims to investigate whether entrepreneurship education can trigger the interest of non-business background students towards intention to be entrepreneurs. Students who are not from business background does not have prior knowledge on entrepreneurship. However, the government is encouraging the graduates to be entrepreneur. This study has provided evidence that entrepreneurship education significantly influences entrepreneurship intention. Specifically, entrepreneurship education, interest and university support significantly affect entrepreneurship intention. Among the three variables, interest is the most prominent predictor, followed by entrepreneurship education and last is university support.

This study contributes to the current body of literature by highlighting the important role of entrepreneurship education, interest and university support towards entrepreneurship education. Teaching academics must clearly impart the knowledge on the students as this effort is evident as able to influence students to be entrepreneurs. Emphasis on the business plan development, identification of business risks and innovative ideas. Applying effective teaching methods in classrooms also proven to increase students' interest towards entrepreneurship education. Apart from that, various support from the universities such as more activities on entrepreneurship, networking opportunities with vendors or support system could enhance students' intention to be entrepreneur.

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