

# The Role of Higher Education in Developing Social Entrepreneurship in Malaysia

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## Abstract

Social entrepreneurship has emerged as a powerful mechanism for addressing societal challenges and fostering sustainable development. This review critically examines the role of higher education in cultivating and promoting social entrepreneurship in the Malaysian context. Through an extensive literature review, researcher explore the current state of social entrepreneurship in Malaysia, the initiatives taken by higher education institutions, and the impact of these efforts on the broader socioeconomic landscape. Through an in-depth literature review, this article navigates the intricate landscape of social entrepreneurship in Malaysia. It assesses the current state of social entrepreneurship in the country, identifying key sectors and areas where these innovative endeavors have made a tangible impact. Additionally, the review explores the challenges faced by social entrepreneurs in Malaysia, acknowledging the diverse range of obstacles from limited access to funding to regulatory complexities.

**Keywords:** Social Entrepreneurship, Higher Education, Role, Malaysia

## Introduction

The landscape of social entrepreneurship in Malaysia is undergoing a trans-formative shift, with increasing recognition of the need for innovative solutions to address pressing societal issues. The dynamic landscape of social entrepreneurship in Malaysia is currently experiencing a profound and trans-formative shift, characterized by a growing acknowledgment of the imperative for innovative solutions that can effectively address the intricate and pressing challenges pervasive in the societal fabric. This evolution is underscored by the increasing recognition of the pivotal role that social entrepreneurship plays in contributing to sustainable development and societal well-being. As posited by Smith (2018), this transformation reflects a heightened awareness within Malaysian society of the critical need to move beyond traditional approaches and embrace innovative strategies to tackle contemporary issues such as environmental sustainability, social inequality, and economic development.

Within this evolving milieu, higher education institutions emerge as central and influential players shaping the trajectory of social entrepreneurship in Malaysia. These institutions serve as crucibles for cultivating the mindset and honing the skills of the next generation of leaders. Scholars such as Jones and Williams (2019) argue that the educational environment profoundly influences individuals' values, attitudes, and intentions, all of which are integral components in the development of social entrepreneurial behavior. Consequently, higher education institutions are recognized as key contributors to the incubation and development of social entrepreneurs who are not only well-versed in business acumen but also deeply committed to addressing societal challenges through innovative and sustainable means.

In substantiating this perspective, a study by Ismail and Rahman (2017) underscores that higher education institutions not only impart theoretical knowledge but also provide practical experiences and mentor-ship opportunities that equip students with the necessary tools and perspectives for engaging in social entrepreneurship. Higher education institutions, acting as crucial incubators, play a pivotal role in shaping the mindset and skills of emerging leaders, positioning them as key actors in the development of social entrepreneurs (Smith, 2018; Jones & Williams, 2019; Ismail & Rahman, 2017). Reviewing the role of higher education in developing social entrepreneurship in Malaysia is crucial as it provides valuable insights for enhancing educational practices, informing policy decisions, fostering collaborative initiatives, and ultimately contributing to sustainable socioeconomic development. Higher education shapes future leaders and innovators' mindsets and skills. Through an analysis of the effect they have on fostering social entrepreneurship, it highlighted the specific approaches by which higher education facilitates the growth of persons with a social entrepreneurial mindset. Thus, the aim of this study is to examine the influence of higher education on the development of social entrepreneurship in Malaysia.

### **The Significance of Social Entrepreneurship in Malaysia**

The challenges faced by Malaysia, ranging from environmental sustainability to social inequality, necessitate innovative and sustainable solutions. Social entrepreneurship has emerged as a promising avenue to address these challenges, contributing to the overall well-being of the nation (Chua et al., 2020). The significance of social entrepreneurship in Malaysia lies in its potential to address complex societal challenges and contribute to sustainable development (Chua et al., 2020). Social entrepreneurship serves as a catalyst for innovative solutions to pressing issues such as environmental sustainability, poverty alleviation, and social inequality, aligning with the country's aspirations for inclusive and equitable development (Ismail & Rahman, 2017). Moreover, the growing acknowledgment of the importance of social entrepreneurship reflects a societal shift towards more socially conscious business practices. Malaysia, like many nations, grapples with multifaceted challenges that necessitate adaptive and holistic approaches, making social entrepreneurship a pertinent and timely endeavor (Chang, 2022). As highlighted by Ismail and Rahman (2017), the significance of social entrepreneurship in Malaysia extends beyond economic considerations, encompassing a broader commitment to societal well-being.

Research focusing on the significance of social entrepreneurship in Malaysia is crucial for understanding the specific contextual factors influencing its development. By exploring the sectors and impact areas where social entrepreneurship has made significant strides,

scholars can provide nuanced insights into the unique challenges and opportunities within the Malaysian landscape (Ismail & Rahman, 2017). This nuanced understanding is paramount for tailoring strategies that effectively harness the potential of social entrepreneurship to address the country's socioeconomic needs. The significance of social entrepreneurship in Malaysia underscores its role as a trans-formative force capable of addressing societal challenges and contributing to sustainable development. This recognition is crucial for guiding research and policy efforts that aim to foster an environment conducive to the growth of social enterprises in the Malaysian context.

## **Social Entrepreneurship in Malaysia: An Overview**

### ***Key Sectors and Impact Areas***

Social entrepreneurship in Malaysia has emerged as a trans-formative force, with diverse sectors and impact areas showcasing its multifaceted contributions to societal well-being (Ismail & Rahman, 2017). In the healthcare sector, social enterprises have been instrumental in providing innovative solutions to address health disparities and improve healthcare access for under-served communities (Chua et al., 2020). This is reflected in the establishment of healthcare-focused social enterprises that prioritize both financial sustainability and social impact. Whereas, in education, social entrepreneurship has played a pivotal role in addressing gaps in the education system, particularly in enhancing access to quality education for marginalized groups. Initiatives such as educational technology platforms and alternative learning models have been implemented to foster inclusive and equitable education (Chang, 2022).

Furthermore, environmental sustainability has been a key focus area for social entrepreneurship in Malaysia. Social enterprises are actively engaged in developing Eco-friendly products, promoting sustainable practices, and addressing environmental challenges (Ismail & Rahman, 2017). This aligns with global efforts to achieve environmental sustainability and reflects the responsiveness of social entrepreneurship to pressing global issues. The overview of social entrepreneurship in Malaysia, with its emphasis on key sectors and impact areas, highlights the adaptability of social enterprises in addressing the unique challenges faced by the nation. This adaptability is crucial for achieving sustainable development goals and fostering positive societal change.

### ***Challenges Faced by Social Entrepreneurs***

Social entrepreneurs in Malaysia encounter a myriad of challenges that impact the growth and sustainability of their ventures (Tan & Ooi, 2018). One significant challenge is the limited access to funding, which constrains the ability of social entrepreneurs to scale their initiatives and maximize their impact on societal issues. This financial constraint is a pervasive issue and is often exacerbated by the inherent difficulty social enterprises face in generating profits while maintaining their commitment to social and environmental objectives.

Regulatory hurdles pose another substantial challenge for social entrepreneurs in Malaysia. The complex regulatory landscape may include legal and administrative barriers that impede the establishment and operation of social enterprises (Tan & Ooi, 2018). Navigating these regulatory challenges demands considerable time and resources, diverting the attention of social entrepreneurs from their core mission. Furthermore, a lack of institutional support adds to the challenges faced by social entrepreneurs. The absence of

comprehensive frameworks or dedicated institutions for social entrepreneurship may result in a dearth of mentor-ship, guidance, and resources necessary for the success of these ventures (Chin, 2022). This underscores the importance of fostering an ecosystem that provides tailored support for social entrepreneurs to overcome obstacles and thrive.

Addressing these challenges is crucial for sustaining and amplifying the impact of social entrepreneurship in Malaysia. Comprehensive studies on these challenges contribute not only to the academic understanding of the field but also inform policymakers and support organizations in designing effective interventions to create a more conducive environment for social entrepreneurship.

### **The Role of Higher Education in Fostering Social Entrepreneurship**

The role of Malaysia's higher education institutions in fostering social entrepreneurship is multifaceted, encompassing educational, research, and practical dimensions that collectively contribute to the development of socially conscious entrepreneurs. Scholars argue that higher education plays a pivotal role in shaping the mindset and skills of students towards social entrepreneurship (Yusoff & Mohd Isa, 2020). This involves integrating social entrepreneurship principles into curricula, providing theoretical foundations, and fostering an understanding of the ethical and social dimensions of entrepreneurship (Jones & Williams, 2019).

Research initiatives within higher education institutions contribute significantly to the advancement of knowledge in social entrepreneurship. The academic community's exploration of innovative models, best practices, and challenges informs both educators and practitioners. It also plays a crucial role in identifying gaps in knowledge and areas for further exploration, thereby shaping the trajectory of social entrepreneurship in Malaysia (Chin, 2022).

Practical experiences are equally vital, and higher education institutions can facilitate these through internships, social entrepreneurship projects, and collaborations with industry partners. These real-world engagements provide students with hands-on experience, enabling them to apply theoretical knowledge to address societal challenges (Yusoff & Mohd Isa, 2020). Additionally, exposure to successful social enterprises and interactions with industry experts contribute to the development of an entrepreneurial mindset among students (Jones & Williams, 2019).

The establishment of dedicated centers and initiatives within higher education institutions underscores the commitment to fostering social entrepreneurship. The Social Entrepreneurship Research Center at Universiti Kebangsaan Malaysia (UKM) serves as an example of an institution actively engaged in research and capacity-building initiatives in the field (UKM, 2021). The role of Malaysia's higher education in fostering social entrepreneurship involves not only providing theoretical foundations but also integrating practical experiences and contributing to the academic discourse through research initiatives. Through these integrated efforts, higher education institutions serve as catalysts for nurturing a new generation of socially conscious and innovative entrepreneurs in Malaysia.

**Challenges and Opportunities for Higher Education Institutions**

In higher education institutions, the challenges associated with fostering social entrepreneurship are multifaceted and require careful consideration (Chin, 2022). A primary issue is the limited institutional support dedicated to social entrepreneurship initiatives. Chin (2022) emphasizes that many institutions struggle to establish comprehensive programs and allocate resources specifically tailored to meet the unique demands of social entrepreneurs. The presence of complex regulatory environments further exacerbates the challenges faced by higher education institutions in integrating social entrepreneurship initiatives. Tan and Ooi (2018) argue that these regulatory barriers impact the establishment and operation of social enterprises affiliated with higher education institutions. Compliance with regulations becomes a nuanced process, demanding careful navigation to ensure adherence.

Financial constraints emerge as another formidable challenge impacting both social entrepreneurs and higher education institutions alike. Chin (2022) underscores the financial hurdles faced by social entrepreneurs, emphasizing the profound implications for sustainability. This financial challenge extends to higher education institutions that find themselves constrained in allocating the necessary resources to adequately support social entrepreneurship initiatives. In addressing these challenges, it becomes evident that a comprehensive and supportive framework is essential to enable higher education institutions to effectively contribute to the development of social entrepreneurship. Recognizing and addressing these challenges is crucial for fostering an environment that encourages the integration of social entrepreneurship within the higher education landscape.

Higher education institutions are presented with unique opportunities to contribute significantly to the promotion and development of social entrepreneurship (Yusoff & Mohd Isa, 2020). One prominent avenue is through interdisciplinary collaboration, where institutions can leverage the strengths of diverse fields of study to create a collaborative environment aimed at addressing complex societal challenges (Yusoff & Mohd Isa, 2020). Another crucial opportunity lies in the integration of social entrepreneurship principles into educational curricula. Jones and Williams (2019) argue that incorporating these principles into coursework can shape students' attitudes and intentions toward social enterprise, thereby fostering a culture of social responsibility.

Establishing partnerships with industry, government bodies, and non-profit organizations is identified as a strategic opportunity for higher education institutions (Yusoff & Mohd Isa, 2020). Collaborative networks play a pivotal role in creating a supportive ecosystem that facilitates social entrepreneurship initiatives within the higher education setting. Recognizing and capitalizing on these opportunities can enable higher education institutions to play a pivotal role in nurturing a culture of social entrepreneurship and contributing meaningfully to addressing societal challenges. Embracing interdisciplinary collaboration, integrating social entrepreneurship into curricula, and forming strategic partnerships are key avenues for institutions to foster an environment conducive to social innovation and responsibility.

**Conclusion**

In conclusion, the role of higher education in developing social entrepreneurship in Malaysia is pivotal and multifaceted, encompassing educational, research, and practical dimensions. As evidenced by the diverse initiatives and research findings discussed, higher

education institutions serve as trans-formative hubs, shaping the mindset and skills of future leaders, thereby playing a crucial role in the cultivation of socially conscious entrepreneurs. The evolving landscape of social entrepreneurship in Malaysia, marked by an increasing recognition of the need for innovative solutions to pressing societal issues, places higher education at the forefront of fostering positive change. Through the integration of social entrepreneurship principles into curricula, provision of practical experiences, and establishment of dedicated research centers, higher education institutions contribute significantly to the development of a socially responsible and innovative entrepreneurial ecosystem.

While challenges such as limited access to funding and regulatory complexities persist, the opportunities presented by higher education institutions in Malaysia are substantial. Interdisciplinary collaboration, integration into curricula, and strategic partnerships provide avenues for overcoming obstacles and advancing social entrepreneurship. As demonstrated by successful models, such as the Social Entrepreneurship Research Center at Universiti Kebangsaan Malaysia, higher education institutions can act as catalysts for positive societal impact. In navigating the dynamic landscape of social entrepreneurship, higher education institutions in Malaysia are not only shaping the future trajectory of business and innovation but are also actively contributing to the nation's socioeconomic development. By fostering a generation of socially conscious and innovative entrepreneurs, higher education plays a crucial role in positioning Malaysia at the forefront of sustainable and impactful entrepreneurship in the global arena.

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