

THE IMPACT OF ENTREPRENEURSHIP EDUCATION TOWARDS SELF-EMPLOYMENT INTENTION AMONG UNIVERSITY STUDENTS

FADZILAH, A. H. H.^{1*} – HUSSAIN, W. M. H.¹

¹ *Graduate School of Business, Universiti Kebangsaan Malaysia, Selangor, Malaysia.*

**Corresponding author
e-mail: ashzafrel08[at]gmail.com*

(Received 29th November 2020; accepted 06th January 2021)

Abstract. It is platitude that entrepreneurship education presents students with knowledge and motivation that will encourage entrepreneurial success and increase self-employment. Presently, it is glaring to note that nations of the world wishes to promote its entrepreneurial sector for a vibrant and robust economy. The reason is because entrepreneurship education can provide opportunities if earned properly through good education and orientation, using the invention and development of new products and services leading to the motivation of self-employment among the students. The major aim of this work is to enhance entrepreneurship education towards cultivating the intention of self-employment among university students. By so doing, meta analytic research approach will be made use of to exhaustively identify all relevant studies that meet the established criteria in existing literatures and desk research. The findings of this study show that training programs in university curriculum are able to enhance entrepreneurship education towards self-employment and it's becoming a new trend in developing economy to achieve the aim of the Fourth Industrial Revolution. The current research recommends supportive business environment, new institutional mechanism and incentives for seed capital funding while its limitations are lack of basic skills, capital and contacts. Hence, this study will highlight that entrepreneurship education will address financial bottleneck encountered by entrepreneurs.

Keywords: *entrepreneurship education, industrial revolution, self-employment, economy*

Introduction

Entrepreneurship education cannot be underestimated because it provides students with basic knowledge and motivation needed to be self-employed, especially in a modern economy. This is because, it has proven to be the mechanism to increase wealth and fight against unemployment. As a result, there have been research interests in entrepreneurship education, due to its crucial role in economic, social and political aspect (Ladyga, 2015). Entrepreneurship education emergence has triggered a new event that is now understood as a method of recognizing and creating opportunities. This is why the contemporary world requires universities to consider entrepreneurship education as part of formal education by providing research programs in this area. The reason is because, the highly competitive world requires the university to fight for students by providing the necessary education to stakeholders to assist with research fund and finances to fulfil the needs of students and at the same time generate revenue for the university.

Therefore, such a system assumes determining and providing resources, jointly for the entrepreneurs and the slot recognition, which are the key components of a potential successful new project. Also, the learning of entrepreneurship allows students to be more entrepreneurial spirit driven.

Impact of entrepreneurship

The concept of entrepreneurship and the development impact it has on most nations that has adopted it, makes it more significant to society at large. This is because the concept is now a world phenomenon. In terms of subject, entrepreneurship in general has legitimately found itself in the scholarly research field and attained its status (Rondstad et al., 1988). As a result, a single universal definition of this phenomenon cannot be given because it cannot be correctly defined (Anderson and Starnawska, 2008; Audretsch and Keilbach, 2007; Long, 1983). Hence, several definitions should be given to entrepreneurship in order to explain a conceptual picture of it. This is explained in *Table 1*.

Table 1. *Definition of entrepreneurship.*

No	Author	Item
1	Cantillon (1755)	The first usage of the idea of entrepreneurship or more definitely the concept of an entrepreneur, defined entrepreneur as a self-employed person.
2	Shane and Venkataraman (2000)	Described entrepreneurship in terms of what entrepreneur does.
3	Kistner (2015)	Entrepreneurship and entrepreneurs is a way out of the world's economic troubles and chaos. Attempted to universally explain entrepreneurship, agreed on elements such as opportunity, innovation, organizing, creating and risk taking.
4	Hisrich et al. (2002)	Most relevant to this study - proposed 10 comprehensive definitions. Their definition shows a possible range of antecedents that may encourage or discourage entrepreneurial aim in a country's youth.

Rising of entrepreneurship education

Previous literatures on the United States of America revealed that, there have been series of policy incentives that relatively open up immigration policies that is followed with many structural factors. This has been seen as the motivating factor with a culture of determination, accounting for the success of the nation's entrepreneurial development. Record in previous research, has shown United States as one of the nation that continually have the highest entrepreneurship rates among the developed countries in Europe, North America, and Asia (Ozaralli and Rivenburgh, 2016). Katz (2003) revealed that the development of entrepreneurship through education and training could be traced back to the 1940s. This was initiated by the Harvard Business School when they launched the first course in entrepreneurship. As a result, a study was conducted in the United States, where a majority of about 51 % of the study population say that, they would prefer to engage in self-employment. While in Europe, 58 % of the total population of the study mentioned that, they would prefer to work as an employee rather than taking risks of venturing into self-employment.

Entrepreneurship education and industrial revolution 4.0

A look at previous study shows that, there have been four major effects as a result of the Fourth Industrial Revolution. These effects can be seen on (i) Business and Customer Expectations (BCE), (ii) Organizational Forms (OF) (iii) Product Enhancement (PE) and (iv) Collaborative Innovation (CI). The BCE focus more about improving digital capabilities which will increase their value and nature at the epicentre

of the economy. This is because contemporary technologies producing assets are now fulfilled. As a result, physical products and services are now durable, strong and above all resilient, leading to upgraded data and analytics up to the level they can be maintained. Furthermore, contemporary collaborations required a great deal of data based services and asset performance, including analytics as a form of a new customer experience. This has been described by senior business executives and global CEOs as the major theme when engaging in communication with them, because the speedup of innovation and the velocity of disruption are difficult to comprehend or anticipated. Also, this driver has been tagged as a source constituting a perpetual surprise, even for the best connected and most well informed. Therefore, there has been simple conclusion that, in most industries, having a main impact on businesses and customer expectation are the technologies that underpin the Fourth Industrial Revolution.

PE on the other hand have been considered as the main focus on the aspect of supply of products. This is because, as viewed by many industries, existing industry value chains have been disrupted by the introduction of new technologies that comes with contemporary methods of serving current needs. This has been viewed as important because, disruption comes from various aspects, such as in global digital platforms, innovative competitors, marketing, development, and sales, which all can be displaced faster by a well-established incumbent, especially with various improvements, like in the speed, quality or price at which value could be given.

In terms of Malaysia, there have been so many policies from the side of the government to take advantage of the enormous opportunities in the IR 4.0 such as in the area of big data and robots machinery in the manufacturing industry. For example, under the Eleventh Malaysia Plan, which is a comprehensive project of five-year blueprint prepared by the Economic Planning Unit (EPU) of Malaysia, one of the plans of the government is to increase productivity and reduce dependency on inputs of labour. In their plan, the main solution is to increase industrial productivity, where there will be higher adoption of automation and development of skills. Although such automation and robotic plan has once been implemented by the former Prime Minister Dato' Seri Dr Mahathir in 1983, however there has been various challenges impeding its achievement. One the main challenges was because Proton was the only car producing company as that time period (Bahrin et al., 2016).

Entrepreneurship education

Generally, entrepreneurship education can be said to be the education that impacts skills and knowledge required by individuals to start new business ventures. However, there has been much debate on the delivery mode. As mentioned by Hytti and O'Gorman (2004), there are many methods to offer entrepreneurship education but it will depend on the objectives. According to them, increasing the understanding of entrepreneurship, public channels like media, lectures or seminars will be a good avenue to share such information. The reason for these methods is that, it has been effectively used when disseminating information to a large group of audiences over a short period of time. However, if the objective is assisting individuals with adequate entrepreneurial skills, then industrial training will be considered as the best method to adopt. But, if the objective is the creation of entrepreneurs, a more controlled environment will be required to effectively facilitate experiments, via methods like business simulation and role-play. In all, regardless of whatever method adopted, the

point of these scholars is that the role of educational institutions cannot be overlooked on providing entrepreneurship education.

Largely, the impact of entrepreneurship education on students should be based on an understanding of a business purpose and relations with the economic structure. This should be possible through an educational system that welcome innovation and development of new ideas in order to impact skills for individuals (Klapper, 2004; Stevenson and Lundström, 2001). In view of this, some researchers have suggested to start the entrepreneurship education early in national educational system (Stevenson and Lundström, 2007; Kroon and Meyer, 2001; Kourilsky and Walstad, 1998).

Hence, this study will define entrepreneurship education as a formalized program that will equip students with skills and knowledge in order to enable them to understand market requirements, customers' insights, and able to recognize business opportunities. It can also be referred to as what triggered developing and implementing a business plan, having networking skills, evaluating internal and external business environment and finally creating ideas.

The importance of the entrepreneurship education

As suggested by many scholars, the idea of cultivating entrepreneurship spirit among graduates has been largely due to the important role played by entrepreneurship education (Katz, 2003; Solomon et al., 2002; Robinson and Hayes, 1991; Ronstadt et al., 1988; Sexton and Bowman, 1984). In some of the previous studies, such as Kolvereid and Moen (1997), it was mentioned the outstanding performance and the urge to become self-reliant are displayed by students who had taken an entrepreneurship course or subject. They further argued that compared to students without exposure to entrepreneurship studies, those who are familiar with entrepreneurship displayed more enterprising behaviour. Also, Henderson and Robertson (2000) research indicated the important for entrepreneurial skills, sustainability and successes to be taught even if it is not possible to teach people to be an entrepreneur. Many other scholars on the other hand further buttress this point by opining that, a student who has participated in entrepreneurial programme display higher tendency to start self-business compares to others who do not attend any of such programs (Galloway and Brown, 2002; Carter and Collinson, 1999).

Therefore, the importance of entrepreneurship success and its development of a nation's economy cannot be over emphasised by various studies. As a result, Rahim et al. (2015) have suggested the need to introduce entrepreneurship education as a subject at all levels of higher learning institutions in developing countries, such as Malaysia.

In Malaysia, the fight to achieve the Vision 2020 on its education system required acceleration of entrepreneurship education. The assumption is that, early exposure to entrepreneurship education in university students could be a useful agenda to build an entrepreneurial culture in them.

Entrepreneurship education in Malaysia

The *Figure 1* describes how the Malaysia entrepreneurship education started with the introduction of the Kembara Usahawan otherwise known as KEMUSA co-curriculum in June 1982. This was introduced by one of Malaysia's renowned public institution of higher learning, Institute Teknologi MARA (ITM). According to Abdul Latif et al. (1996), the programme was introduced to build on students' awareness of

entrepreneurial opportunities. However, in 1988, a comprehensive entrepreneurship course was introduced to all diploma students from the same institution called Fundamentals of Entrepreneurship (ETR300), which was made a compulsory subject for all. As a result, it is clear that the emergence of Entrepreneurship Education in Malaysia started with the implementation of KEMUSA and ETR300 by ITM. This is because it was seen as a focal point in which a well-structured dissemination of entrepreneurial knowledge took place, which thereafter better equip student of higher learning institutions (HLI) with necessary competencies that will enable them to venture into business by themselves.

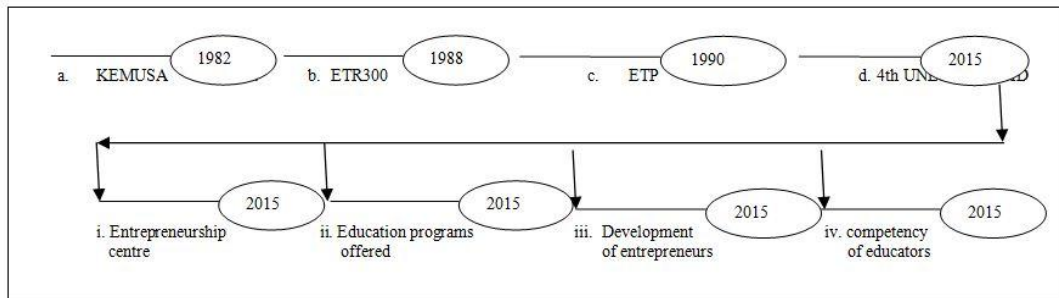


Figure 1. Introduction of entrepreneurship education in Malaysia.

The result of the entrepreneurial progress around 1990s in most western countries has made Malaysia to focus towards self-reliability of her citizenry. As such the country has witnessed various developments of entrepreneurship training programs (ETP), including initiatives which will foster the country citizens to become self-reliant and dependent. This is why the Malaysia government has established various agencies that play crucial role in promoting entrepreneurship programme through national plans. Other than that, entrepreneurship education has been inculcated into various of the country's university curriculum to instigate this drive.

Currently in Malaysia, four major elements can be said to be the focus of the country's entrepreneurship education. These are; (i) Development of entrepreneurs (DE), (ii) Entrepreneurship Centre (EC), (iii) Competency of Educators (CE) and, (iv) Maturity of Education Programs Offered (EPO).

Challenges of entrepreneurship education

Based on the foregoing discussion, there have been different support provided by the Malaysian government to university students especially in the area of entrepreneurship education. However, most of these students are still lagging behind or having difficulties when it comes to effective implementation of the entrepreneurship education. This is due to various challenges causing the effective implementation of entrepreneurship education in Malaysia.

Findings have shown financing to be one of the major issues although, even with the fact that there has been financial support from different agencies towards the cause of entrepreneurship education. However, the loan acquiring process is still considerably tedious for many students. Furthermore, Yusoff et al. (2014) mentioned that, even with the bold step adopted by many universities by taking the initiative of offering seed capital (soft loans), one could yet see that the amount of the available funds given to these students is still minimal and also the management of the fund have been

revolving, because it has continually experienced a shortage due to the erratic and low response in repayment. Secondly, there is a lack of commitment towards entrepreneurship education from both educators and university students. On the part of the students, priority is placed more towards academic grades. As a result, engaging in business activities and studying has been a challenge (Hamidon, 2014). On the part of the educators, academic tasks have been their challenges and excuses (Rahim et al., 2015), depriving them in engaging in any practical business activities.

Conclusion

Measuring the success of a training involvement on entrepreneurs has great significance as well as additional exploration in admiration of training programs and specific group which includes women business owners is necessary. Hence, this specific study has contributed an exploration approaches that may trigger even more research on these very important issues. The subsequent recommendations and opportunities happened to be revealed throughout this particular research, namely; (1) additional studies of effectiveness with the aid of management groups and also integrated longitudinal models are necessary so that findings from investigation such as this will surely have better external validity; (2) the perfect situation will be measuring the experimental group after 18 months and 3 years to actually establish the influence that women Entrepreneurship Program (WEP) had over the experimental group 's small businesses. A longitudinal study whereby similar respondents are assessed for 4 or perhaps 5 times will generate an invaluable contribution to the area of entrepreneurship training courses interventions; (3) it's additionally suggested that for effectiveness, scientific studies which usually utilize longitudinal designs need to integrate a co-variance model within the research; as well as (4) finally, new institutional mechanism, supportive business environment and rewards for seed capital funding are usually proposed.

Acknowledgement

This study is self-funded by the author.

Conflict of interest

There is no conflict of interest with any parties involve with this research study.

REFERENCES

- [1] Abdul Latif, N.M.S., Jamaluddin, H., Jamil, M.Y., Nuruddin, N., Sarmidy, R., Buyong, S.Z., Ahmad, Z. (1996): *Kajian Kekesanan Ko-Kurikulum*. – KEMUSA. Available on: http://ir.uitm.edu.my/8363/1/LP_NIK%20MUSTAFA%20SHAPRI%20HJ.%20ABDUL%20LATIF%2096_24.pdf
- [2] Anderson, A.R., Starnawska, M. (2008): Research practices in entrepreneurship: problems of definition, description and meaning. – *The International Journal of Entrepreneurship and Innovation* 9(4): 221-230.
- [3] Audretsch, D.B., Keilbach, M. (2007): The theory of knowledge spillover entrepreneurship. – *Journal of Management Studies* 44(7): 1242-1254.

- [4] Bahrin, M.A.K., Othman, M.F., Azli, N.N., Talib, M.F. (2016): Industry 4.0: A review on industrial automation and robotic. – *Jurnal Teknologi* 78(6-13): 137-143.
- [5] Cantillon, R. (1755): *An Essay on Commerce in General*. – History of Economic Thought Books 188p.
- [6] Carter, S., Collinson, E. (1999): Entrepreneurship education: Alumni perceptions of the role of higher education institutions. – *Journal of Small Business and Enterprise Development* 6(3): 229-239.
- [7] Galloway, L., Brown, W. (2002): Entrepreneurship education at university: a driver in the creation of high growth firms? – *Education+Training* 44(8/9): 398-405.
- [8] Hamidon, S. (2014). The development of Malay entrepreneurship in Malaysia. – *ITBM* 210p.
- [9] Henderson, R., Robertson, M. (2000): Who wants to be an entrepreneur? Young adult attitudes to entrepreneurship as a career. – *Career Development International* 5(6): 279-287.
- [10] Hisrich, R.D., Peters, M.P., Shepherd, D.A. (2002): *Entrepreneurship*. – McGraw-Hill 624p.
- [11] Hytti, U., O’Gorman, C. (2004): What is “enterprise education”? An analysis of the objectives and methods of enterprise education programmes in four European countries. – *Education+Training* 46(1): 11-23.
- [12] Katz, J.A. (2003): The chronology and intellectual trajectory of American entrepreneurship education: 1876–1999. – *Journal of business venturing* 18(2): 283-300.
- [13] Kistner, U. (2015): Trading in freedom: rethinking conspicuous consumption in post-apartheid political economy. – *Critical Arts* 29(2): 240-259.
- [14] Klapper, R. (2004): Government goals and entrepreneurship education—an investigation at a Grande Ecole in France. – *Education+Training* 46(3): 127-137.
- [15] Kourilsky, M.L., Walstad, W.B. (1998): Entrepreneurship and female youth: Knowledge, attitudes, gender differences, and educational practices. – *Journal of Business venturing* 13(1): 77-88.
- [16] Kolvereid, L., Moen, Ø. (1997): Entrepreneurship among business graduates: does a major in entrepreneurship make a difference? – *Journal of European industrial training* 21(4): 154-160.
- [17] Kroon, J., Meyer, S. (2001): The role of entrepreneurship education in career expectations of students. – *South African Journal of Higher Education* 15(1): 47-53.
- [18] Ładyga, E. (2015): Entrepreneurship as a basis of self-management on the way to career. – *Polish Journal of Management Studies* 12(1): 87-95.
- [19] Long, W. (1983): The meaning of entrepreneurship. – *American Journal of small business* 8(2): 47-59.
- [20] Ozaralli, N., Rivenburgh, N.K. (2016): Entrepreneurial intention: antecedents to entrepreneurial behavior in the USA and Turkey. – *Journal of Global Entrepreneurship Research* 6(1): 32p.
- [21] Rahim, H.L., Kadir, M.A.B.A., Abidin, Z.Z., Junid, J., Kamaruddin, L.M., Lajin, N.F.M., Bakri, A.A. (2015): Entrepreneurship education in Malaysia: A critical review. – *Journal of Technology Management and Business* 2(2): 1-11.
- [22] Robinson, P., Haynes, M. (1991): Entrepreneurship education in America's major universities. – *Entrepreneurship Theory and Practice* 15(3): 41-52.
- [23] Ronstadt, R., Vesper, K.H., McMullan, W.E. (1988): Entrepreneurship: Today courses, tomorrow degrees? – *Entrepreneurship theory and practice* 13(1): 7-13.
- [24] Sexton, D.L., Bowman, N.B. (1984): Entrepreneurship education: suggestions for increasing effectiveness. – *Journal of Small Business Management (pre-1986)* 22(000002): 18p.
- [25] Shane, S., Venkataraman, S. (2000): The promise of entrepreneurship as a field of research. – *Academy of Management Review* 25(1): 217-226.

- [26] Solomon, G.T., Duffy, S., Tarabishy, A. (2002): The state of entrepreneurship education in the United States: A nationwide survey and analysis. – *International Journal of Entrepreneurship Education* 1(1): 65-86.
- [27] Stevenson, L., Lundström, A. (2001): Patterns and trends in entrepreneurship/SME policy and practice in ten economies. – Vällingby, Sweden: Elanders Gotab 3: 32p.
- [28] Stevenson, L., Lundström, A. (2007): Dressing the emperor: the fabric of entrepreneurship policy. – *Handbook of Research on Entrepreneurship Policy* 35p.
- [29] Yusoff, M.N.H.B., Zainol, F.A., Ibrahim, M.D.B. (2014): Entrepreneurship education in Malaysia's public institutions of higher learning-A review of the current practices. – *International Education Studies* 8(1): 17p.