

DECLARATION

„I hereby declare that have read this thesis and in our research is sufficient in terms of scope and quality. This project is submitted to Universiti Teknikal Malaysia Melaka as a requirement for completion and reward Bachelor Degree of Technopreneurship“

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THE RELATIONSHIP BETWEEN ATTITUDE AND ENTREPRENEURIAL
INTENTION AMONG STUDENTS (UteM)

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A project paper submitted

In fulfilment of the requirements for the Bachelor Degree of Technopreneurship.

Faculty Of Technology Management And Technopreneurship
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DECLARATION OF ORIGINAL WORK

I declare that this project entitled “The Relationship Between Attitude and Entrepreneurial Intention” is the results of my own research except as cited in the references. The project has not been accepted for any degree and is not concurrently submitted in candidature of any other degree.

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DEDICATION

Specially dedicated to my beloved paradise parents.
Omar Bin Kassim and Maimunah Bt Othman.

Thanks to my financial backers
Saifuldin and Saidin Omar.

Thanks to my beloved friends
Shimies group.

Thank to my great Supervisor
En. Amir Bin Aris.

Thanks to my family forever

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ABSTRACT

This study was aimed to investigate the relationship between attitudes toward money, change and competition and entrepreneurial intentions, especially among students. The effect on the intention entrepreneurial attitude can be seen by the increasing number of entrepreneurship in the country. The study was conducted at the University of Technical Malaysia Melaka (UTeM) at the Faculty of Management of Technology and Techno (FPTT). Data were collected than 150 respondents who answered the question that had been given. Data analysis using correlation and regression analysis. Reliability test was conducted with a view to the Cronbach's Alpha to see whether the questions given valid or not. Attitude toward money, change and competition is important to influence a student's intention to venture into business. In addition, it also can improve the economy and reduce the unemployment problem that is increasing nowadays. Results and findings also show the attitude and entrepreneurial intention has a significant relationship to each other.

Key Words: Attitude, Entrepreneurial, Intention, Money, Change, Competitiveness, Entrepreneurial intention.

ABSTRAK

Kajian ini adalah bertujuan untuk mengkaji hubungan diantara sikap terhadap duit, perubahan dan daya saing dan niat keusahawanan terutama di kalangan pelajar. Kesan sikap terhadap niat keusahawanan ini dapat dilihat dengan bilangan keusahawanan yang semakin bertambah di negara ini. Kajian ini telah dijalankan di Universiti Teknikal Malaysia Melaka (UTeM) iaitu di Fakulti Pengurusan Teknologi dan Teknousahawan (FPTT). Data telah dikumpulkan daripada 150 orang responden yang menjawab soalan yang telah diberikan. Analisis data menggunakan analisis regresi. Ujian kebolehpercayaan telah dijalankan dengan melihat kepada nilai Cronbach's Alpha untuk melihat sama ada soalan yang diberikan sah ataupun tidak. Sikap terhadap duit, perubahan dan persaingan ini penting untuk mempengaruhi niat seseorang pelajar untuk menceburi bidang perniagaan. Selain itu, ianya juga dapat meningkatkan ekonomi negara dan dapat mengurangkan masalah pengangguran yang semakin meningkat pada masa kini. Keputusan dan hasil kajian juga menunjukkan antara sikap dan niat keusahawanan mempunyai hubungan yang signifikan antara satu sama lain.

Kata Kunci: Sikap, Keusahawanan, Niat, Duit, Perubahan, Daya saing, Niat Keusahawanan.

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LIST OF ABBREVIATION

ATM	-	Attitude towards money
ATC	-	Attitude towards change
ATCV	-	Attitude towards competitiveness
EI	-	Entrepreneurial intention

CHAPTER 1

INTRODUCTION

1.1. Background Of Study

Malaysia is a developing country. Therefore, the country urgently needs the service of society, especially of graduates from universities. University graduates could help the country to build more competitive and especially economically. However, competition in the world of work higher among university graduates, coupled with the dumping of foreign workers. Therefore graduates should think and find ways to solve this problem job opportunities.

According Lumpkin & Dress (1996) Entrepreneurship plays a vital role for new venture creation, existing venture explains, socials, technological and economic development of the country. Entrepreneurship is an alternative that can be pursued by graduates. This is because in entrepreneurship can help them to create a career by starting his own business. Many people, especially graduates have used the initiative provided by the government to run their own business. By starting his own business in the unemployment rate can be reduced and at the same time can help to boost the country's economy. Among the initiatives provided by the government for business development in Malaysia is the establishment of the Youth Trust Foundation (MyHarapan) and TEKUN National. The main focus of this is to assist youth entrepreneurs to accelerate initiatives towards national development.

However, to become a successful entrepreneur, they must have a good attitude and always dedicated and have a strong commitment to the business. An entrepreneur attitude and intention can affect the success of a business. Students and entrepreneurs need to have the motivation or attitude toward money, change and competition. This attitude, can determine the success of a business. Many fresh

graduates do possess the knowledge and skill that are important for starting-up own business, however, only a tiny percentage of students choose to be self-employed immediately after graduating. It may be due to lack of self-confidence or lack of encouragement or reassurance. There may also be others who are potential entrepreneurs but are not properly aware of the career options that are open to them (Advising Entrepreneurial Students, n.d.). As becoming entrepreneur can be one of the options; their intention on becoming self-employed had prompted researchers to investigate particularly on the influence of entrepreneurial characteristics and entrepreneurial intention among undergraduates towards entrepreneurial activities

This study aims to assess the level of attitudes and entrepreneurial intention is in university students. The extent to which the existing level of personality in students to become an entrepreneur and that can foster entrepreneurship in their intentions. This paper will be divided into five chapters. The first chapter will discuss about the background of study, which will cover the objective, aims, scope and limitations. This chapter will explain what the research is all about and what the key element being investigated to create this paper. The second chapter will emphasizes more theoretical view related to this research. Theories will be taken from the journals and article to create a literature review. The third chapter includes the research design, what method that is going to be use in order to collect the data to be analyzed. The fourth chapter emphasizes on the results obtained after analyzing the data and fifth chapter will highlight the comparison of previous researches with my research and also recommends what action should be taken for future researches.

1.2 Problem Statement

This study will focused the interested in how far the students to see entrepreneurship as a personal career that can ensure their future. This because the enthusiasm for entrepreneurship needs to be nurtured in every university in Malaysia. It is because entrepreneurship is a field that can be used as a career choice. This is also one of the ways to prevent unemployment among graduates. Moreover the unemployment rate in Malaysia is increasingly to 3.2 percent in July 2015. As a result, the government has implemented various programs to encourage students at

each university to engage with entrepreneurship. Entrepreneurship can also enhance the economic growth and job opportunities to solve the unemployment problem among graduate. Therefore, this study was undertaken to examine the key factors that can encourage entrepreneurial intentions in students of the university.

Attitudes also faces another challenge. People may lack accurate self-knowledge, failing to see themselves as they truly are or at least as others see them. This is a problem of ignorance rather than bias. Surly misanthropists know that it is better to present themselves as warm idealists on a attitudest, but they may also lack insight into the wrinkles in their character. Job applicants are apt to airbrush their failings but they may also be unaware of them. Both tendencies weaken the validity of personality assessment, contributing to scepticism about the practice. Based on the past research had shown that both entrepreneurial knowledge and personal attitudes have significant influence on entrepreneurship intentions, personal attitudes were observed as having a greater influence on the former. Furthermore, high levels of entrepreneurship knowledge were observed to impact on favorable attitudes towards entrepreneurship.

This study also to see how well students interested in entrepreneurship with business start-up and the factor that encourages them to self-employments. In addition, this study also wanted to see how far the attitudes toward money, change and competitiveness can affect the interest of students to become entrepreneurs. The research involved students of University Teknikal Malaysia Melaka (UTeM) from Faculty of Technology Management and Technopreneurship (fptt).

1.3 Objectives Of Study

- To study the relationship between attitudes and entrepreneurial intention.
- To study the relationship between attitude towards money and entrepreneurial intention.
- To study the relationship between attitude towards change and entrepreneurial intention.
- To study the relationship between attitude towards competitiveness and entrepreneurial intention

1.4. Research Question

- What are the relationship between attitudes and entrepreneurial intention?
- What are the relationship between attitude towards money and entrepreneurial intention?
- What are the relationship between attitude towards change and entrepreneurial intention?
- What are the relationship between attitude towards competitiveness and entrepreneurial intention?

1.5 Research Hypothesis

Based on combining the concept of entrepreneurial intention attitudes, researcher describing four hypotheses for this relationship:

Table 1.1 Hypothesis

H	H0	HA
H1	There are no relationship between attitudes and entrepreneurial intention.	There are relationship between attitudes and entrepreneurial intention.
H2	There are no relationships between attitudes towards money and entrepreneurial intention.	There are relationships between attitude towards money and entrepreneurial intention.
H3	There are no relationships between attitude towards change and entrepreneurial intentions.	There are relationship between attitude towards change and entrepreneurial intentions
H4	There are no relationships between attitude towards competitiveness and entrepreneurial intention.	There are relationships between attitude towards competitiveness and entrepreneurial intention.

1.6 Scope Of Study

This research only involved student from Faculty Technology and Technopreneurship (FPTT) of University Teknikal Malaysia Melaka (UTeM). Research subject choosed based on random sampling method. This research is focusing relationship between attitudes and entrepreneurial intention. Research scope also focuses on the attitudes as independent variables and entrepreneurial intention as the dependent variables.

1.7. Significant Of Study

The finding of the study hopefully can give some indication on what are the suitable entrepreneurial courses, programs and training that would promote the graduates' interest to start up their own businesses. The proposals derived from the survey can also provide some initiatives information of the attitudes that influence the creation of future entrepreneurs and success of their new ventures.

1.8 Definitions Of Concepts And Operational

1.8.1 Intention

Intention is a mental state that represents a commitment to carrying out an action that needed to do in the future. It also involves mental activities such as planning and forethought. The decision to start a new firm is assumed to be planned for some time and thus preceded by an intention to do so. However, in some cases this intention is formed only shortly before the actual decision and in some cases the intention never leads to actual behavior. Hence, entrepreneurial intentions are assumed to predict individual's choice to found their own firms (Ajzen, 1991).

Intention means an individual wants to start some entrepreneurship activities,(Souitaris et al. 2007). Intentions also play a role develop the entrepreneurship activities and capability of being an actual entrepreneur (Mohd Rosli,2013), and the intentions for entrepreneurship has a direct relationship toward experience and individual behavior. According Abdul Halim (2010), state that entrepreneurship intention is influenced by several characteristics such as attitude, innovativeness, being a team player, risk taker and being a decision- maker.

Folk psychology explains human behavior on the basis of mental states, including beliefs, desires and intentions. Mental mechanisms, especially intentions, explain behavior in those individuals is seen as actors who have desires and who attempt to achieve goals that are directed by beliefs.

1.8.2 Entrepreneurship

Entrepreneurship is defined as having a passive and active component with propensity to induce changes oneself, but also the ability to welcome and support innovation brought by external factors by welcoming change, taking responsibility for one's actions, positive or negative, to finish what we start, to know where we are going to set objective and meet them, and have the motivation to succeed. (Shapiro-Sokol, 1982).

According Hisrich, Micheal, & Shephard (2005), entrepreneurship is defined as a dynamic process creating incremental wealth by entrepreneurs who take responsibility for the major risks in terms of equity, time and career commitment. Entrepreneurship is one of the main factors to improve the economic in a country as it able to create wealth for the entrepreneurs. The ability to create job, reduce the unemployment and create economic boom are among the entrepreneurs.

Entrepreneurship is not just the abilities and skills to run an enterprise but include a set of other key competencies and goes beyond a narrow perspective. It includes planning, organizing, analyzing, communicating, doing, and de-briefing, evaluating and recording progress in learning. Other important aspects of entrepreneurship include identifying one's personal strengths and weaknesses, displaying proactive behavior, being curious and creative, understanding risk, responding positively to changes and the disposition to show initiative (Shapiro-Sokol, 1982) Entrepreneurship also including few behaviors, such as initiative taking, organizing and reorganizing social and economic mechanisms to turn resources and situation to practical account and the acceptance of risk or failure (Hisrich, 2005). Austrian economist Joseph Schumpeter's definition of entrepreneurship placed an emphasis on innovation such as new products, new production methods, new markets and new forms of organization.

Entrepreneurship allows people to do what they want and to follow their passion. The most important is entrepreneurship helps to bring new products and ideas to the market. If without the creative ideas of entrepreneurs our world would not be as advanced as it is today in the fields of culture, science and technology.

In this research entrepreneurship is someone that taking the advantages and opportunity that available around them mainly to expertise in certain idea and build their own organization. The level of achievement can be measured by the ability of entrepreneurs and entrepreneurial development in their business. Entrepreneurs need to be a wise strategy and take the opportunities that exist around them and produce something creative for the success of their business. Entrepreneurs also need to have character and personality positively to what they do.

1.8.3` Entrepreneurial Intention

Psychological research shows that intention is a crucial predictor of subsequent planned behavior (Bagozzi et.al, 1989). Consequently, entrepreneurial intention is a decision to form a new business venture that is planned rather than being conditioned. An individual may have the potential of being entrepreneur because own competency and self-efficacy but may not make the transition into entrepreneurship because of a lack of intention (Krueger et. a/, 2000).Entrepreneurial intention is a person's conviction that starting and running one's own firm is a suitable alternative for him/her. This conviction is in its turn based on certain general attitudes and domain attitudes. The former refer to more general psychological dispositions whereas the latter specifically concern entrepreneurship and owner-managed firms. Guerrero (2008) defines entrepreneurial intention as a state of mind that people wish to create a new firm or a new value driver inside existing organizations.

According to Dohse, Walter (2012), factors influencing entrepreneurial intention is Individual-level entrepreneurial intention; access to know-how, access to know-who, access to material support, need for achievement, need for independence, risk- taking propensity, work experience, opportunity perception and knowledge. Luthje and Franke (2003) defined entrepreneurial intention as the readiness to start a business, with risk-taking propensity, locus of control and attitudes toward self-employment as predictors. According to Bird,(1988), entrepreneurial intention is a

key relations between entrepreneurs ideas and attitudes, and their entrepreneurial behavior.

The entrepreneurial intention is to see how far individual or a student interested in going into business and to start his own business. The study was also to examine the attitudes that exist in an individual can motivate themselves to start a business. Motivation is there to be your own boss to create their own business and the level of creativity to begin their ideas. The entrepreneurial intentions hope to enhance its efficiency, abilities and accomplishments to be achieved in business start.

1.8.4 Attitudes

Attitudes are defined by cognitive psychology as the predisposition to respond in a generally favourable or unfavourable manner with respect to the object of the attitude (Ajzen 1987). Thus, for increasing the level of entrepreneurial initiative among students it is needful to increase positive attitudes towards entrepreneurship, so attitudes can be viewed as the stepping stone to entrepreneurial intentions (Hannan 2004).

These attitudes were those toward independence, financial risk, hard work and income. As the intention of carrying out a given behaviour will depend on the person's attitudes towards that behaviour (Ajzen 1991). According to Linan, (2009) attitudes would measure the extent to which an individual values positively or negatively some behaviour. The theory of planned behavior argues that attitudes are precursors to intentions which are antecedent to behaviors (Ajzen, 1991). More specifically, attitudes have a behavioral component (along with affective and cognitive components) that consists of behavioral intentions and predispositions to act in a particular way toward some subject (Shaver, 1987).