GOH BOON KEAT

RESEARCH ON GRIT: THE IMPORTANT OF GRIT TOWARDS AN ENTREPRENEUR LONG TERM SUCCESSION IN MELAKA, MALAYSIA.

GOH BOON KEAT

UNIVERSITI TEKNIKAL MALAYSIA MELAKA

RESEARCH ON GRIT: THE IMPORTANT OF GRIT TOWARDS AN ENTREPRENEUR LONG TERM SUCCESSION IN MELAKA, MALAYSIA.

GOH BOON KEAT

The research proposal is submitted in partial fulfillment of the requirements for the award of Bachelor of Technopreneurship with honour

Faculty of Technology Management & Technopreneurship Universiti Teknikal Malaysia Melaka

JUNE 2016



"I hereby declare that I have read this thesis and in my opinion, this thesis is sufficient in terms of scope and quality for the award of Bachelor Degree in Technopreneurship with Honours (BTEC)"

Signature	•
C	
Name of Supervisor	: ASSOC. PROF. DR AHMAD ROZELAN BIN YUNUS
Date	:
Signature	:
Name of Panel	: PN AZRINA BINTI OTHMAN
Date	·

DECLARATION

"I declare that this thesis is my independent work except the citation and excerpts	of
each of which I have mentioned in the references."	

Signature	:
Name	: GOH BOON KEAT
Date	:

DEDICATION

This Final Year Project is dedicated to

My supervisor, Associate Professor Dr. Ahmad Rozelan Bin Yunus

My Parent

My Friends

For their love, endless support, advice and encouragement as well as prayers, especially to my beloved supervisor who guided me throughout the process of this research.

ACKNOWLEDGEMENT

First, I am grateful to my supervisor, Associate Professor Dr. Ahmad Rozelan Bin Yunus, whose expertise, understanding, generous guidance and support made it possible for me to work on a topic which was great interest to me and successfully completed it. It was a pleasure working with my supervisor.

I would also like to thank you to my presentation panel, Madam Azrina Binti Othman that provided me on advises and comment during the presentation for Final Year Project 1 and 2. Besides, never forget to thank you to my Final Year Project 1 Panel, Sir Mohd Amin Bin Mohamad, who also giving me advice and comment on improving the quality of the report.

My sincere thanks also go to those researchers that provided the valuable theory and resource online. Never forgotten to the respondents that spent their valuable time for me to complete this project during distributing the questionnaire.

Last but not least, I would also appreciate and thank you to my teammate, my friends and any other who direct and indirect giving me support and encouragement.

ABSTRACT

The objective of this research study was to identify out the effect of grit and education toward the success of an entrepreneur in Melaka City, Malaysia. This research study also will examine of the relationship between the grit and the education of an entrepreneur in order for the entrepreneur in success doing their business in Melaka, Malaysia. For this research study, the quantitative method was used to conduct the research. Probability sampling was used to implement the questionnaire. The sample consists of three hundred seventy three (N=373) male and female entrepreneur as the research study respondents. The questionnaire basically will emphasize on demographic, grit scale, measurement of education and measurement of success. Besides that, Grit S Scale, a specific questionnaire tool that used to measure the grit level in order to achieve long term goals. In order to analyze the data, a pilot test will use to test the reliability of the questionnaire, data analysis tool is used in this research study such as simple regression analysis and Pearson Correlation analysis. The three objectives of this research study are successfully achieved and all the null hypothesis is rejected as well as the recommendation is made in order to enable for another researcher to further research. In short, grit is a personal trait that needed to be aware and acquired to those individuals who want to make an achievement.

ABSTRAK

Objektif kajian penyelidikan ini adalah untuk mengenal pasti daripada kesan "grit" dan pendidikan ke arah kejayaan usahawan di Bandar Melaka, Malaysia. Kajian penyelidikan itu juga akan mengkaji hubungan antara "grit" dan pendidikan usahawan bagi membolehkan usahawan dalam kejayaan mereka menjalankan perniagaan di Melaka, Malaysia. Untuk kajian penyelidikan ini, kaedah kuantitatif telah digunakan untuk menjalankan penyelidikan. Persampelan kebarangkalian telah digunakan untuk melaksanakan soal selidik. Sampel kajian terdiri daripada tiga ratus tujuh puluh tiga(N = 373) lelaki dan perempuan sebagai responden kajian penyelidikan. Soal selidik ini akan memberi penekanan kepada demografi, skala "grit", pengukuran pendidikan dan ukuran kejayaan. Selain itu, Grit S Skala, alat yang soal selidik tertentu yang digunakan untuk mengukur ketabahan tahap dan semangat untuk mencapai matlamat jangka panjang. Dalam usaha untuk menganalisis data, ujian perintis akan gunakan untuk menguji kebolehpercayaan soal selidik, alat analisis data yang digunakan dalam kajian penyelidikan ini seperti analisis regresi mudah dan analisis korelasi Pearson Tiga. Objektif kajian penyelidikan ini berjaya dicapai dan semua hipotesis nol ditolak dan juga cadangan yang dibuat untuk membolehkan bagi penyelidik lain untuk penyelidikan lanjut. Pendek kata, "grit" adalah ciri-ciri peribadi yang perlu sedar dan diperolehi kepada individu-individu yang ingin pencapaian.

TABLE OF CONTENTS

CHAPTER	TITLE	PAGE
	DECLARATION	ii
	DEDICATION	iii
	ACKNOWLEDGEMENT	iv
	ABSTRACT	v
	ABSTRAK	vi
	TABLE OF CONTENTS	vii
	LIST OF TABLES	xii
	LIST OF FIGURES	XV
	LIST OF ABBREVIATION AND SYMBOL	xvi
	LIST OF APPENDIX	xvii
CHAPTER 1	INTRODUCTION	
	1.1 Background of Study	1
	1.2 Problem Statements	4
	1.3 Research Question	5
	1.4 Research Objective	5
	1.5 Scope, and Key Assumptions of the Study	6
	1.6 Importance of the Study	7
	1.7 Organization of the study	7
	1.8 Summary	8

CHAPTER	TITLE	PAGE
CHAPTER 2	LITERATURE REVIEW	
	2.1 Introduction	9
	2.2 Concept of an Entrepreneur	10
	2.2.1 Define of Entrepreneur	10
	2.3 Entrepreneur Success Factor	12
	2.3.1 Characteristic of Entrepreneur	12
	2.3.2 Education	15
	2.4 Definitions of Entrepreneurial Success	16
	2.4.1 Entrepreneurial Success Measurement	17
	2.5 Concept of Grit	19
	2.5.1 The term related to Grit	22
	2.5.2 Downside of Grit	23
	2.6 Grit Scale	25
	2.7 Concept of Education	26
	2.7.1 Education level in Malaysia	29
	2.7.2 Education System in Malaysia	29
	2.8 Theoretical Framework	31
	2.8.1 Hypothesis Development	33
	2.9 Summary	37
Chapter 3	RESEARCH METHOD	
	3.1 Introduction	38
	3.2 Research Design	39
	3.3 Methodology Choice	40
	3.3.1 Research Strategy	40
	3.3.2 Target Population	41
	3.3.3 Sample and Sampling procedures	41
	3.4 Source of data	43
	3.4.1 Primary data source	43



CHAPTER	TITLE	PAGE
	3.4.2 Secondary data resource	44
	3.5 Location of the Research	44
	3.6 Research Time Horizon	45
	3.7 Data Collection Instruments	46
	3.7.1 Questionnaire	46
	3.7.2 Grit Scale	46
	3.8 Data Analysis	47
	3.8.1 Descriptive Statistical Analysis	48
	3.8.2 Cross-Tabulation	49
	3.8.3 Reliability Analysis	49
	3.8.4 Inferential Analysis	50
	3.8.5 Simple Regression Coefficient	50
	3.8.6 Pearson's product moment	
	correlation coefficient (PMCC)	51
	3.9 Scientific Canons	53
	3.9.1 Validity of Survey	53
	3.9.1.1 Internal Validity	53
	3.9.1.2 External Validity	54
	3.9.1.3 Construct Validity	55
	3.9.1.4 Establishing Reliability of	
	Reseach Study	56
	3.10 Summary	56
Chapter 4	DATA ANALYSIS	
	4.1 Introduction	57
	4.2 Pilot Test	58
	4.3 Data Collection Result	58
	4.4 Demographic of Respondents	59
	4.4.1 Gender	59



CHAPTER	TITLE	PAGE
	4.4.2 Races and Other Races	60
	4.4.3 Age	61
	4.4.4 Education Level	62
	4.4.5 Years of Business	64
	4.4.6 Number of Employees	65
	4.4.7 Entrepreneur Success Concept	66
	4.5 Cross Tabulation	67
	4.6 Grit Scale Mearusurment	72
	4.6.1 Consistency of Interest	72
	4.6.2 Perseverance of Effort	73
	4.6.3 Calculation of Grit Scale	75
	4.7 Reliability Analysis	77
	4.8 Inferential Analysis	78
	4.8.1 Simple Regression Analysis	78
	4.8.1.1 Independent Variable 1:	
	Grit	79
	4.8.1.2 Independent Variable 2:	
	Education	81
	4.8.2 Pearson's Product Moment Correlation	
	Coefficient (PMCC)	83
	4.9 Hypothesis Testing	85
	4.10 Summary	87
Chapter 5	DISCUSSION	
	5.1 Introduction	88
	5.2 Summary of Main Findings	89
	5.2.1 Objective 1: To identify that grit will	
	affect a person to be a successful	
	entrepreneur.	89



CHAPTER	TITLE	PAGE
	5.2.2 Objective 2: To identify that education	
	will affect a person to be a successful	
	entrepreneur.	91
	5.2.3 Objective 3: To investigate the	
	relationship between grit and education	94
	5.3 Conclusion	97
	5.3.1 Summary of Research Objective	97
	5.3.2 Summary of Research Hypothesis	98
	5.4 Limitation of Study	99
	5.5 Implication of Study	101
	5.6 Recommendation for Future Research	102
	REFERENCES	103
	APPENDIX	110

LIST OF TABLES

TABLE	TITLE	PAGE
2.1	Definitions of entrepreneur from different	
	authors	10
2.2	Classification of Entrepreneur	11-12
2.3	Key areas for entrepreneur success	16-17
2.4	Others term related to grit.	22-23
2.5	The definition of "Education" from different	
	authors	28
2.6	Education System Level in Malaysia	30-31
2.7	Type of Hypothesis	33
2.8	Techniques of multivariate analysis	35
2.9	Variables of the research study.	36
3.1	The Grit Scale	47
3.2	Scale of Reliability Analysis	49
3.3	Element in Regression Analysis	51
3.4	Value of the Correlation Coefficient	52
4.1	Result of Pilot Test	58
4.2	Gender of the Respondents	59
4.3	Races and other races of the respondents	60
4.4	Age of the respondents	61
4.5	Education levels of the respondents	62
4.6	Years of business conducted among the	
	respondents	64



TABLE	TITLE	PAGE
4.7	Number of employees	65
4.8	A successful entrepreneur is where the person is	
	still conducting his/her business frequeny	66
4.9	Frequency grit scale (Consistency of interest) by	
	Education level	67
4.10	Frequency grit scale (Perseverance of effort) by	
	Education level	67
4.11	Calculation of grit scale (Consistency of interest) by	
	Education level	68
4.12	Calculation of grit scale (Perseverance of effort) by	
	Education level	69
4.13	Grit scale score by education level	70
4.14	Frequency of the consistency of interest	72
4.15	Frequency of the perseverance of effort	73
4.16	Scoring table of grit scale	75
4.17	Calculation of grit scale for question B1, B3, B5, B6	75
4.18	Calculation of grit scale for question B2, B4, B7, B8	76
4.19	Calculation of total grit Scale among the respondents	76
4.20	Scale of reliability analysis	77
4.21	Reliability analysis	77
4.22	Model summary of grit	79
4.23	Anova for grit	79
4.24	Coefficients for grit	79
4.25	Model summary of education	81
4.26	Anova for education	81
4.27	Coefficient education	81
4.28	Value of correlation coefficient	83
4.29	Pearson correlation of grit and education	84
4.30	Hypothesis listing in this research study	85



TABLE	TITLE	PAGE
4.31	Result of hypothesis testing	86
5.1	Element of basic education	93

LIST OF FIGURES

FIGURE	TITLE	PAGE
2.1	The big five (5) Personality trait dimension	14
2.2	Components that jointly form a competence	15
2.3	Measurement of Success Entrepreneur	18
2.4	Definitions of grit	22
2.5	Concept of grit	25
2.6	Theoretical Framework	32
3.1	Basics Sampling Design	42
4.1	Gender of the Respondents	59
4.2	Races and other races of the respondents	60
4.3	Age of the respondents	61
4.4	Education levels of the respondents	63
4.5	Years of business conducted among the respondents	64
4.6	Number of employees	65
4.7	A successful entrepreneur is where the person is	
	still conducting his/her business frequeny	66
4.8	Frequency of the consistency of interest	72
4.9	Frequency of the perseverance of effort	74
4.10	Value of correlation coefficient	79

LIST OF ABBREVIATION AND SYMBOL

ABBREVIATION MEANING DV Dependent Variable **GRIT-S** Grit Short Scale with 8 items of test H_0 Hypothesis Null H_1 Hypothesis Alternative **PPMC** Pearson Product Moment Correlation r^2 Regression Coefficient **SPSS** Statistical Package for Social Science 1 Malaysia Entrepreneur 1MET IV Independent Variable % Percentage

LIST OF APPENDIX

APPENDIX	TITLE	PAGE
A	Questionnaire	110
В	Gantt Chart for PSM 2	117
C	SPSS Data Output	118

CHAPTER 1

INTRODUCTION

1.1 Background of Study

The entrepreneur has become a global dream of every new century people nowadays; many people know that to be an entrepreneur is the only way to turn their dream into reality. In Malaysia, The evolution of entrepreneurship has been growing as an important part as key driven by economics. The entrepreneurial companies often play a vital role in developing the economic, not only at national level, but it's over the global economy. Sh. Ahmad et.al (2004) mentioned in the paper that the establishment of a special ministry for entrepreneurs—the Ministry of Entrepreneur Development—in 1995, clearly showcases the importance the government places upon the issue of entrepreneurship and entrepreneur development (Mohamed Ariff and Syarisa Yanti Abubakar, 2002) as it's able to create opportunity for employment and the positive way to do something responsibility to the society. There are many types of entrepreneur, such as a social entrepreneur, Small and Medium-sized Enterprise (SMEs) entrepreneur, intrapreneur and other. In this research, researcher chooses a general entrepreneur.

However, in this competitive business environment, not every new business able to survive. According to The Global Entrepreneur Monitor (GEM) global report 2014 mentions that the unsuccessful of an entrepreneur doing their business still at a high rate in Malaysia. To prevent the failure of starting up a business, those entrepreneurs require

certain personal traits such as passion, self-motivation, perseverance and others before they start up their business. An entrepreneur is a long term process, it requires a strong perseverance and passion to continue achieving long term goals, and these all traits requirement, and it's called grit.

According to Duckworth et al. (2007), Grit is defined as perseverance and passion for long-term goals. Grit entails working strenuously toward challenges, maintaining effort and interest over the years, despite failure, adversity, and plateaus in progress. This word "grit" is firstly used by a psychologist, Duckworth et al. (2007), which focused her research in Grit in kids and adult. The idea inspiration comes from his student, because she knows that the intelligence is not the only factor that caused the difference between her worst and best student. Besides, "Why do some individuals accomplish more than others of equal intelligence?"(Duckworth et al. 2007). She was questioning that why do some people achieve more, and why others do not, even when all of their things are equal, Duckworth et al. (2007) argue that there are some characteristics that are common amongst all successful people and that one of these characteristics is grit.

Grit is a trait that might important as intelligence in order to make a high achievement. In order to measure the grit, Duckworth et al. (2007) was developing a grit scale as the measurement of trait-level perseverance and passion for long term goals, and showed that grit predicted achievement in challenging domains over and beyond the measures of talent. grit scale is a useful tool that's been proved that can be used as a measurement of perseverance and passion of a person. The tools are differently separate for adults and children categories. Duckworth et al. (2007) designed the Grit Scale comes with a 12-item form and an 8-item form (the Short Grit Scale, or Grit-S), and the 8-item form has been modified for use with children as well.

Besides that, education is another matter thing for the person, whether failure or success in their life, it was commonly by many people that if your education is higher, meaning that you are getting a good job and success. According to Yero (2002) defines

that education as the process of educating or teaching, and to develop the knowledge and skill. He further concludes that the purpose of education is to develop the knowledge, skill, or character of students. The word "education" was derived from the Latin word "educare" meaning to bring up, to lead out, to rise up, and to educate. The researcher concludes that, education is something could bring us a knowledge that could live and work in society. According to Ministry of Higher Education, the Malaysian education system is largely modelled on the British education system. Most public higher education institutions use the Cumulative Grade Point Average (CGPA) system whilst others use the grade system.

With the research of grit, it not only helps to entrepreneur, but to all entrepreneurs to know that perseverance and persistence in doing their business are the correct way to success. Besides that, it also enables the academic researcher to build up the grit to the future entrepreneur before they conduct their business.

1.2 Problem statement

In Malaysia, there are still many small and medium enterprises that could not survive when they doing their business. There are about 9 out of 10 that are facing the failure during conducting their business. According to 1Malysia Entrepreneur (1MET), there is a high failure rate amongst start-up businesses. According to Global Entrepreneur Monitor (GEM) 2014 global report shows that "government was put a lot of effort on improving the entrepreneur's capabilities through advisory services, coaching, training and funding via government agencies." It brings the hidden message that the entrepreneur in Malaysia was having a lower capability level. Besides, through the GEM report, a survey was distributed to identify the reason of business failure; around 45% of responses for business failure is because of low profitability and fear of failure amongst entrepreneurs. ("1MET4 Malaysia Entrepreneurs", 2016). Research shows that a majority of entrepreneurs lacks any form of training in entrepreneurship and amongst the common reasons cited for failure are: Intense competition, lack of customers, and lack of knowledge and skills. ("1MET4 Malaysia Entrepreneurs", 2016). The successful entrepreneur is a combination three things: Genetics, Circumstance & Perseverance. Therefore, the researcher does agree that because of the perseverance of that particular person are not strong, it affects those entrepreneurs in Malaysia could not survive in a long term.

According to Lynn (2002), excellence and intellectual brightness are highly important components in human resource practices, but cannot be treated separately and considered sufficient to solve challenging managerial issues. However, there are still a lot people think that education is the only factor that affecting the success of an individual. There are many cases show that, intelligence is only one of the factor that affect the success or failure of an individual, there are actually exist of another thing that affected the result. In this study, researchers are also studying on the relationship between grit with education.

1.3 Research Ouestion

The research questions are below:

- 1. Does grit affect a person to be a successful entrepreneur?
- 2. Does education affect a person to be a successful entrepreneur?
- 3. Do grit and education is having a relationship?

1.4 Research Objective

The entrepreneur becomes a significant occupation in growing up the economy, not only in the nation but the global economic. As our knowledge, entrepreneur is an important part that the government paid a lot effort on promoting it. However, in the past record, many start up business in Malaysia could not survive in a long term, their sustainability are not strong enough to facing the risk of economic. The growing of the society and the thinking, the researcher able to find out the way might be prevented or deduct the failure of the business. Grit is a perseverance and a passion that helping in order to achieve long term goals. Besides, education is the common factor that other people always said it would decide the success or failure of that person. Grit can be measured by grit scale, however, in this research study, the researcher is finding out that whether there is a connection between the grit and education.